

By: Nelson, et al.

S.B. No. 200

A BILL TO BE ENTITLED

AN ACT

relating to the continuation and functions of the Health and Human Services Commission and the provision of health and human services in this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

SECTION 1.01. (a) Chapter 531, Government Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. CONSOLIDATION OF HEALTH AND HUMAN SERVICES SYSTEM

Sec. 531.0201. TRANSFERS TO COMMISSION. (a) On the dates specified in the transition plan required under Section 531.0204, the powers, duties, functions, programs, and activities of each state agency or entity abolished by Section 531.0202 are transferred to the commission as provided by this subchapter.

(b) On the dates described by Subsection (a):

(1) all obligations and contracts of a state agency or entity abolished by Section 531.0202 are transferred to the commission;

(2) all property and records in the custody of a state agency or entity abolished by Section 531.0202 and all funds appropriated by the legislature to the state agency or entity shall be transferred to the commission; and

(3) all complaints, investigations, or contested cases that are pending before a state agency or entity abolished by

1 Section 531.0202 or a governing person or entity of the state agency
2 or entity are transferred without change in status to the
3 commission.

4 (c) A rule, policy, or form adopted by or on behalf of a
5 state agency or entity abolished by Section 531.0202 is a rule,
6 policy, or form of the commission and remains in effect:

7 (1) until altered by the commission; or

8 (2) unless it conflicts with a rule, policy, or form of
9 the commission.

10 (d) A license, permit, or certification in effect that was
11 issued by a state agency or entity abolished by Section 531.0202 is
12 continued in effect as a license, permit, or certification of the
13 commission.

14 Sec. 531.0202. ABOLITION OF STATE AGENCIES AND ENTITIES.

15 (a) On the dates specified in the transition plan required under
16 Section 531.0204, the following state agencies and entities are
17 abolished and their respective powers, duties, functions,
18 programs, and activities are transferred to the commission in
19 accordance with Section 531.0201:

20 (1) the Department of Aging and Disability Services;

21 (2) the Department of Assistive and Rehabilitative
22 Services;

23 (3) the Department of Family and Protective Services;

24 (4) the Department of State Health Services;

25 (5) the Health and Human Services Council;

26 (6) the Aging and Disability Services Council;

27 (7) the Assistive and Rehabilitative Services

1 Council;

2 (8) the Family and Protective Services Council;

3 (9) the State Health Services Council;

4 (10) the Office for the Prevention of Developmental
5 Disabilities; and

6 (11) the Texas Council on Autism and Pervasive
7 Developmental Disorders.

8 (b) The abolition of a state agency or entity listed in
9 Subsection (a) and the transfer of its powers, duties, functions,
10 programs, activities, obligations, rights, contracts, records,
11 property, funds, and employees to the commission as provided by
12 this subchapter do not affect or impair an act done, any obligation,
13 right, order, permit, certificate, rule, criterion, standard, or
14 requirement existing, or any penalty accrued under former law, and
15 that law remains in effect for any action concerning those matters.

16 Sec. 531.0203. HEALTH AND HUMAN SERVICES TRANSITION
17 LEGISLATIVE OVERSIGHT COMMITTEE. (a) In this section, "committee"
18 means the Health and Human Services Transition Legislative
19 Oversight Committee established under this section.

20 (b) The Health and Human Services Transition Legislative
21 Oversight Committee is created to facilitate the transfer of
22 powers, duties, functions, programs, and activities from the state
23 agencies and entities subject to abolition under Section 531.0202
24 to the commission as provided by this subchapter with a minimal
25 negative effect on the delivery of services provided by those state
26 agencies and entities.

27 (c) The committee is composed of 11 voting members, as

1 follows:

2 (1) four members of the senate, appointed by the
3 lieutenant governor;

4 (2) four members of the house of representatives,
5 appointed by the speaker of the house of representatives; and

6 (3) three members of the public, appointed by the
7 governor.

8 (d) The executive commissioner serves as an ex officio,
9 nonvoting member of the committee.

10 (e) A member of the committee serves at the pleasure of the
11 appointing official.

12 (f) The lieutenant governor and the speaker of the house of
13 representatives shall each designate a presiding co-chair from
14 among their respective appointments.

15 (g) A member of the committee may not receive compensation
16 for serving on the committee but is entitled to reimbursement for
17 travel expenses incurred by the member while conducting the
18 business of the committee as provided by the General Appropriations
19 Act.

20 (h) The committee shall:

21 (1) facilitate the transfer of powers, duties,
22 functions, programs, and activities from the state agencies and
23 entities subject to abolition under Section 531.0202 to the
24 commission as provided by this subchapter with a minimal negative
25 effect on the delivery of services provided by those agencies and
26 entities;

27 (2) with assistance from the commission and the state

agencies and entities subject to abolition under Section 531.0202, advise the executive commissioner concerning:

(A) the powers, duties, functions, programs, and activities to be transferred under this subchapter and the funds and obligations that are related to the powers, duties, functions, programs, or activities;

(B) the transfer of the powers, duties, functions, programs, activities, records, property, funds, obligations, and employees by the state agencies and entities as provided by this subchapter; and

(C) the reorganization of the commission's administrative structure in accordance with this subchapter, Sections 531.0055, 531.00561, and 531.00562, and other provisions enacted by the 84th Legislature that become law; and

(3) meet:

(A) during the period between the establishment of the committee and August 31, 2016, at least quarterly at the call of either chair, in addition to meeting at other times as determined appropriate by either chair; and

(B) during the period between September 1, 2016, and August 31, 2023, at least annually at the call of either chair, in addition to meeting at other times as determined appropriate by either chair.

(i) Chapter 551 applies to the committee.

(j) The committee shall submit a report to the governor, lieutenant governor, and speaker of the house of representatives not later than December 1 of each even-numbered year. The report

1 must include an update on the progress of and issues related to:

2 (1) the transfer of powers, duties, functions,
3 programs, and activities from the state agencies and entities
4 subject to abolition under Section 531.0202 to the commission as
5 provided by this subchapter; and

6 (2) the reorganization of the commission's
7 administrative structure in accordance with this subchapter,
8 Sections 531.0055, 531.00561, and 531.00562, and other provisions
9 enacted by the 84th Legislature that become law.

10 (k) The committee is abolished September 1, 2023.

11 Sec. 531.0204. TRANSITION AND WORK PLAN FOR IMPLEMENTATION
12 OF CONSOLIDATION. (a) The transfer of powers, duties, functions,
13 programs, and activities under Section 531.0201 to the commission
14 must be accomplished in accordance with a transition plan developed
15 by the executive commissioner. The transition plan must:

16 (1) include an outline of the commission's reorganized
17 structure, including its divisions, in accordance with this
18 subchapter, Sections 531.00561 and 531.00562, and other provisions
19 enacted by the 84th Legislature that become law;

20 (2) include a broad plan and schedule that specify the
21 date on which each state agency or entity subject to abolition under
22 Section 531.0202 is abolished and the respective transfers under
23 Section 531.0201 are accomplished, and the date on which each
24 division of the commission is created and its director is
25 appointed; and

26 (3) require all transfers under Section 531.0201 to be
27 accomplished not later than September 1, 2016.

1 (b) In developing the transition plan, the executive
2 commissioner shall hold public hearings in various geographic areas
3 in this state before submitting the plan to the Health and Human
4 Services Transition Legislative Oversight Committee, the governor,
5 and the Legislative Budget Board as required by Subsection (d).

6 (c) Not later than the deadline specified by Subsection
7 (a)(3), the commission shall begin administering the powers,
8 duties, functions, programs, and activities assigned to the
9 commission under this subchapter. The assumption of the
10 administration of the powers, duties, functions, programs, and
11 activities must be accomplished in accordance with a detailed work
12 plan designed by the commission to ensure that the transfer and
13 provision of health and human services in this state are
14 accomplished in a careful and deliberative manner. The work plan
15 must include details regarding the movement and specific timelines
16 for the transfer of programs administered by the state agencies and
17 entities subject to abolition under Section 531.0202 to the
18 commission under this subchapter.

19 (d) The executive commissioner shall submit the transition
20 plan and the work plan to the Health and Human Services Transition
21 Legislative Oversight Committee, the governor, and the Legislative
22 Budget Board not later than December 1, 2015. The committee must
23 approve the transition plan before the transition and work plans
24 may be implemented.

25 (e) The executive commissioner shall publish in the Texas
26 Register:

27 (1) the transition plan developed under this section;

1 and

2 (2) any changes to the transition plan required by the
3 Health and Human Services Transition Legislative Oversight
4 Committee.

5 Sec. 531.0205. APPLICABILITY OF FORMER LAW. An action
6 brought or proceeding commenced before the date of a transfer
7 prescribed by this subchapter in accordance with the transition
8 plan required under Section 531.0204, including a contested case or
9 a remand of an action or proceeding by a reviewing court, is
10 governed by the laws and rules applicable to the action or
11 proceeding before the transfer.

12 Sec. 531.0206. LIMITED-SCOPE SUNSET REVIEW. (a) The
13 Sunset Advisory Commission shall conduct a limited-scope review of
14 the commission during the state fiscal biennium ending August 31,
15 2023, in the manner provided by Chapter 325 (Texas Sunset Act). The
16 review must provide:

17 (1) an update on the commission's progress with
18 respect to the consolidation of the health and human services
19 system mandated by this subchapter, including the commission's
20 compliance with the transition and work plans required under
21 Section 531.0204; and

22 (2) any additional information the Sunset Advisory
23 Commission determines appropriate, including information regarding
24 any additional organizational changes the Sunset Advisory
25 Commission recommends.

26 (b) The commission is not abolished solely because the
27 commission is not explicitly continued following the review

1 required by this section.

2 Sec. 531.0207. EXPIRATION OF SUBCHAPTER. This subchapter
3 expires September 1, 2023.

4 (b) Not later than October 1, 2015:

5 (1) the lieutenant governor, the speaker of the house
6 of representatives, and the governor shall make the appointments to
7 the Health and Human Services Transition Legislative Oversight
8 Committee as required by Section 531.0203(c), Government Code, as
9 added by this article; and

10 (2) the lieutenant governor and the speaker of the
11 house of representatives shall each designate a presiding co-chair
12 of the Health and Human Services Transition Legislative Oversight
13 Committee in accordance with Section 531.0203(f), Government Code,
14 as added by this article.

15 (c) As soon as appropriate under the consolidation under
16 Subchapter A-1, Chapter 531, Government Code, as added by this
17 article, and in a manner that minimizes disruption of services, the
18 Health and Human Services Commission shall take appropriate action
19 to be designated as the state agency responsible under federal law
20 for any state or federal program for which federal law requires the
21 designation of a responsible state agency and for which an agency
22 subject to abolition under Section 531.0202, Government Code, as
23 added by this article, is responsible.

24 SECTION 1.02. Subchapter A, Chapter 531, Government Code,
25 is amended by adding Sections 531.0011 and 531.0012 to read as
26 follows:

27 Sec. 531.0011. REFERENCES IN LAW MEANING COMMISSION OR

1 APPROPRIATE DIVISION. (a) In this code or in any other law, a
2 reference to any of the following state agencies or entities after
3 its abolition under Section 531.0202 means the commission or the
4 division of the commission performing a function previously
5 performed by the state agency or entity before its abolition, as
6 appropriate:

7 (1) health and human services agency;

8 (2) the Department of State Health Services;

9 (3) the Department of Aging and Disability Services;

10 (4) the Department of Family and Protective Services;

11 or

12 (5) the Department of Assistive and Rehabilitative
13 Services.

14 (b) In this code or in any other law and notwithstanding any
15 other law, a reference to any of the following state agencies or
16 entities, after the abolition under Section 531.0202 of the state
17 agency that assumed the relevant function in accordance with
18 Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular
19 Session, 2003, means the commission or the division of the
20 commission performing the function previously performed by the
21 agency that assumed the function before its abolition, as
22 appropriate:

23 (1) the Texas Department on Aging;

24 (2) the Texas Commission on Alcohol and Drug Abuse;

25 (3) the Texas Commission for the Blind;

26 (4) the Texas Commission for the Deaf and Hard of
27 Hearing;

1 (5) the Texas Department of Health;
2 (6) the Texas Department of Human Services;
3 (7) the Texas Department of Mental Health and Mental
4 Retardation;
5 (8) the Texas Rehabilitation Commission;
6 (9) the Texas Health Care Information Council; or
7 (10) the Interagency Council on Early Childhood
8 Intervention.

9 (c) In this code or in any other law and notwithstanding any
10 other law, a reference to the Department of Protective and
11 Regulatory Services, after the abolition under Section 531.0202 of
12 the Department of Family and Protective Services, means the
13 commission or the division of the commission performing the
14 function previously performed by the Department of Family and
15 Protective Services before its abolition.

16 (d) This section applies notwithstanding Section
17 531.001(4). This subsection and Section 531.001(4) expire on the
18 deadline specified in Section 531.0204(a)(3).

19 Sec. 531.0012. REFERENCES IN LAW MEANING EXECUTIVE
20 COMMISSIONER OR DESIGNEE. (a) In this code or in any other law, a
21 reference to any of the following persons means the executive
22 commissioner, the executive commissioner's designee, or the
23 director appointed under Section 531.00561 of the division of the
24 commission performing the relevant function previously performed
25 by the state agency abolished by Section 531.0202 that the person
26 represented, as appropriate:

27 (1) the commissioner of aging and disability services;

1 (2) the commissioner of assistive and rehabilitative
2 services;

3 (3) the commissioner of state health services; or

4 (4) the commissioner of the Department of Family and
5 Protective Services.

6 (b) In this code or in any other law and notwithstanding any
7 other law, a reference to any of the following persons or entities,
8 after the abolition under Section 531.0202 of the state agency that
9 assumed or continued to perform a relevant function in accordance
10 with Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular
11 Session, 2003, means the executive commissioner, or the director
12 appointed under Section 531.00561 of the division of the commission
13 performing the function previously performed by the state agency
14 abolished or renamed by Chapter 198 (H.B. 2292) that the person or
15 entity represented:

16 (1) an executive director or other chief
17 administrative officer of a state agency listed in Section
18 531.0011(b) or (c); and

19 (2) the governing body of a state agency listed in
20 Section 531.0011(b) or (c).

21 (c) A reference to any of the following councils means the
22 executive commissioner or the executive commissioner's designee,
23 as appropriate, and a power, duty, function, program, or other
24 activity of any of the following councils is a power, duty,
25 function, program, or other activity of that appropriate person:

26 (1) the Health and Human Services Council;

27 (2) the State Health Services Council;

1 (3) the Aging and Disability Services Council;
2 (4) the Family and Protective Services Council; or
3 (5) the Assistive and Rehabilitative Services
4 Council.

5 SECTION 1.03. (a) Subchapter A, Chapter 531, Government
6 Code, is amended by adding Section 531.0051 to read as follows:

7 Sec. 531.0051. HEALTH AND HUMAN SERVICES COMMISSION
8 EXECUTIVE COUNCIL. (a) The Health and Human Services Commission
9 Executive Council is established to receive public input and advise
10 the executive commissioner regarding the operation of the
11 commission. The council shall seek and receive public comment on:

12 (1) proposed rules;
13 (2) recommendations of advisory committees;
14 (3) legislative appropriations requests or other
15 documents related to the appropriations process;
16 (4) the operation of health and human services
17 programs; and
18 (5) other items the executive commissioner determines
19 appropriate.

20 (a-1) The council shall also receive public input and advise
21 the executive commissioner regarding the operation of the health
22 and human services agencies. This subsection expires on the
23 deadline specified in Section 531.0204(a)(3).

24 (b) The council does not have authority to make
25 administrative or policy decisions.

26 (c) The council is composed of:

27 (1) the executive commissioner;

1 (2) the director of each division established by the
2 executive commissioner under Section 531.008(d); and

3 (3) other individuals appointed by the executive
4 commissioner as the executive commissioner determines necessary.

5 (d) The executive commissioner serves as the chair of the
6 council and shall adopt rules for the operation of the council.

7 (e) Members of the council appointed under Subsection
8 (c)(3) serve at the pleasure of the executive commissioner.

9 (f) The council shall meet at the call of the executive
10 commissioner at least quarterly. The executive commissioner may
11 call additional meetings as the executive commissioner determines
12 necessary.

13 (g) The council shall give public notice of the date, time,
14 and place of each meeting held by the council. A live video
15 transmission of each meeting must be publicly available through the
16 Internet.

17 (h) A majority of the members of the council constitute a
18 quorum for the transaction of business.

19 (i) A council member appointed under Subsection (c)(3) may
20 not receive compensation for service as a member of the council but
21 is entitled to reimbursement for travel expenses incurred by the
22 member while conducting the business of the council as provided by
23 the General Appropriations Act.

24 (j) The executive commissioner shall develop and implement
25 policies that provide the public with a reasonable opportunity to
26 appear before the council and to speak on any issue under the
27 jurisdiction of the commission.

1 (k) A meeting of individual members of the council that
2 occurs in the ordinary course of commission operation is not a
3 meeting of the council, and the requirements of Subsection (g) do
4 not apply.

5 (l) This section does not limit the authority of the
6 executive commissioner to establish additional advisory committees
7 or councils.

8 (m) Chapters 551 and 2110 do not apply to the council.

9 (b) As soon as possible after the executive commissioner of
10 the Health and Human Services Commission appoints division
11 directors in accordance with Section 531.00561, Government Code, as
12 added by this article, the Health and Human Services Commission
13 Executive Council established under Section 531.0051, Government
14 Code, as added by this article, shall begin operation.

15 SECTION 1.04. The heading to Section 531.0055, Government
16 Code, is amended to read as follows:

17 Sec. 531.0055. EXECUTIVE COMMISSIONER: GENERAL
18 RESPONSIBILITY FOR HEALTH AND HUMAN SERVICES SYSTEM ~~[AGENCIES]~~.

19 SECTION 1.05. Section 531.0055, Government Code, is amended
20 by amending Subsections (b), (d), (e), (f), (g), (h), and (l) and
21 adding Subsection (n) to read as follows:

22 (b) The commission shall:

23 (1) supervise the administration and operation of the
24 Medicaid program, including the administration and operation of the
25 Medicaid managed care system in accordance with Section 531.021;

26 (2) perform information systems planning and
27 management for the health and human services system ~~[agencies]~~

under Section 531.0273, with:

(A) the provision of information technology services for the ~~at~~ health and human services system ~~agencies~~ considered to be a centralized administrative support service either performed by commission personnel or performed under a contract with the commission; and

(B) an emphasis on research and implementation on a demonstration or pilot basis of appropriate and efficient uses of new and existing technology to improve the operation of the health and human services system ~~agencies~~ and delivery of health and human services;

(3) monitor and ensure the effective use of all federal funds received for the ~~by a~~ health and human services system ~~agency~~ in accordance with Section 531.028 and the General Appropriations Act;

(4) implement Texas Integrated Enrollment Services as required by Subchapter F, except that notwithstanding Subchapter F, determining eligibility for benefits under the following programs is the responsibility of and must be centralized by the commission:

(A) the child health plan program;

(B) the financial assistance program under Chapter 31, Human Resources Code;

(C) the medical assistance program under Chapter 32, Human Resources Code;

(D) the nutritional assistance programs under Chapter 33, Human Resources Code;

(E) long-term care services, as defined by

1 Section 22.0011, Human Resources Code;

2 (F) community-based support services identified
3 or provided in accordance with Section 531.02481; and

4 (G) other health and human services programs, as
5 appropriate; and

6 (5) implement programs intended to prevent family
7 violence and provide services to victims of family violence.

8 (d) After implementation of the commission's duties under
9 Subsections (b) and (c), the commission shall implement the powers
10 and duties given to the commission under Section 531.0248. Nothing
11 in the priorities established by this section is intended to limit
12 the authority of the commission to work simultaneously to achieve
13 the multiple tasks assigned to the commission in this section, when
14 such an approach is beneficial in the judgment of the commission.
15 The commission shall plan and implement an efficient and effective
16 centralized system of administrative support services for the
17 health and human services system [~~agencies~~]. The performance of
18 administrative support services for the health and human services
19 system [~~agencies~~] is the responsibility of the commission. The
20 term "administrative support services" includes, but is not limited
21 to, strategic planning and evaluation, audit, legal, human
22 resources, information resources, purchasing, contract management,
23 financial management, and accounting services.

24 (e) Notwithstanding any other law, the executive
25 commissioner shall adopt rules and policies for the operation of
26 and provision of health and human services by the health and human
27 services system [~~agencies~~]. In addition, the executive

1 commissioner, as necessary to perform the functions described by
2 Subsections (b), (c), and (d) in implementation of applicable
3 policies established for a health and human services system ~~[an]~~
4 agency or division, as applicable, by the executive commissioner,
5 shall:

6 (1) manage and direct the operations of each ~~[health~~
7 ~~and human services]~~ agency or division, as applicable;

8 (2) supervise and direct the activities of each agency
9 or division director, as applicable; and

10 (3) be responsible for the administrative supervision
11 of the internal audit program for the ~~[all]~~ health and human
12 services system agencies, if applicable, including:

13 (A) selecting the director of internal audit;

14 (B) ensuring that the director of internal audit
15 reports directly to the executive commissioner; and

16 (C) ensuring the independence of the internal
17 audit function.

18 (f) The operational authority and responsibility of the
19 executive commissioner for purposes of Subsection (e) for ~~[at]~~ each
20 health and human services system agency or division, as applicable,
21 includes authority over and responsibility for the:

22 (1) management of the daily operations of the agency
23 or division, including the organization and management of the
24 agency or division and its ~~[agency]~~ operating procedures;

25 (2) allocation of resources within the agency or
26 division, including use of federal funds received by the agency or
27 division;

(3) personnel and employment policies;

(4) contracting, purchasing, and related policies, subject to this chapter and other laws relating to contracting and purchasing by a state agency;

(5) information resources systems used by the agency or division;

(6) location of ~~[agency]~~ facilities; and

(7) coordination of agency or division activities with activities of other components of the health and human services system and state agencies~~[, including other health and human services agencies]~~.

(g) Notwithstanding any other law, the operational authority and responsibility of the executive commissioner for purposes of Subsection (e) for ~~[at]~~ each health and human services system agency or division, as applicable, includes the authority and responsibility to adopt or approve, subject to applicable limitations, any rate of payment or similar provision required by law to be adopted or approved by a health and human services system ~~[the]~~ agency.

(h) For each health and human services system agency and division, as applicable, the executive commissioner shall implement a program to evaluate and supervise ~~[the]~~ daily operations ~~[of the agency]~~. The program must include measurable performance objectives for each agency or division director and adequate reporting requirements to permit the executive commissioner to perform the duties assigned to the executive commissioner under this section.

(1) Notwithstanding any other law, the executive commissioner has the authority to adopt policies and rules governing the delivery of services to persons who are served by the ~~[each]~~ health and human services system ~~[agency]~~ and the rights and duties of persons who are served or regulated by the system ~~[each agency]~~.

(n) This subsection and Subsections (a), (i), and (k) expire on the deadline specified by Section 531.0204(a)(3).

SECTION 1.06. Section [531.0056](#), Government Code, is amended by adding Subsections (g) and (h) to read as follows:

(g) The requirements of this section apply with respect to a state agency listed in Section [531.001](#)(4) only until the agency is abolished under Section 531.0202.

(h) This section expires on the deadline specified by Section 531.0204(a)(3).

SECTION 1.07. (a) Subchapter A, Chapter 531, Government Code, is amended by adding Sections 531.00561 and 531.00562 to read as follows:

Sec. 531.00561. APPOINTMENT AND QUALIFICATIONS OF DIVISION DIRECTORS. (a) The executive commissioner shall appoint a director for each division established within the commission under Sections [531.008](#)(a) and (d).

(b) The executive commissioner shall:

(1) develop clear qualifications for the director of each division appointed under this section that ensure that an individual appointed director has:

(A) demonstrated experience in fields relevant

1 to the director position; and

2 (B) executive-level administrative and
3 leadership experience; and

4 (2) ensure the qualifications developed under
5 Subdivision (1) are publicly available.

6 Sec. 531.00562. DIVISION DIRECTOR DUTIES. (a) The
7 executive commissioner shall clearly define the duties and
8 responsibilities of a division director appointed under Section
9 531.00561, and develop clear policies for the delegation of
10 specific decision-making authority, including budget authority, to
11 division directors.

12 (b) The delegation of decision-making authority should be
13 significant enough to ensure the efficient administration of the
14 commission's programs and services.

15 (b) The executive commissioner of the Health and Human
16 Services Commission shall implement Sections 531.00561 and
17 531.00562, Government Code, as added by this article, on the date
18 specified in the transition plan required under Section 531.0204,
19 Government Code, as added by this article.

20 SECTION 1.08. Section 531.007, Government Code, is amended
21 to read as follows:

22 Sec. 531.007. TERM. The executive commissioner serves a
23 two-year term expiring February 1 of each odd-numbered year.

24 SECTION 1.09. (a) Section 531.008, Government Code, is
25 amended by amending Subsections (a) and (b) and adding Subsections
26 (d) and (e) to read as follows:

27 (a) Subject to the requirements of this section [~~Subsection~~

1 ~~(c)~~], the executive commissioner shall ~~[may]~~ establish divisions
2 within the commission as necessary for effective administration and
3 for the discharge of the commission's functions.

4 (b) Subject to the requirements of this section ~~[Subsection~~
5 ~~(c)]~~, the executive commissioner may allocate and reallocate
6 functions among the commission's divisions.

7 (d) In establishing divisions under this section, the
8 executive commissioner shall:

9 (1) ensure that the commission is organized along
10 functional lines; and

11 (2) consider creating a division within the commission
12 for each of the following:

13 (A) medical and social services;

14 (B) state institutions and facilities functions;

15 (C) family and protective services;

16 (D) public health services;

17 (E) regulatory functions;

18 (F) centralized administrative services; and

19 (G) inspector general responsibilities.

20 (e) Subsection (c) applies only until the executive
21 commissioner establishes divisions in accordance with Subsections
22 (a) and (d). This subsection and Subsection (c) expire on the
23 deadline specified by Section 531.0204(a)(3).

24 (b) The executive commissioner of the Health and Human
25 Services Commission shall establish divisions within the
26 commission as required under Section 531.008(a), Government Code,
27 as amended by this article, and Section 531.008(d), Government

Code, as added by this article, on the date specified in the transition plan required under Section 531.0204, Government Code, as added by this article.

SECTION 1.10. (a) Subchapter A, Chapter 531, Government Code, is amended by adding Section 531.0083 to read as follows:

Sec. 531.0083. OFFICE OF POLICY AND PERFORMANCE. (a) In this section, "office" means the office of policy and performance established by this section.

(b) The executive commissioner shall establish the office of policy and performance as an executive-level office designed to coordinate policy and performance efforts across divisions within the commission. To coordinate those efforts, the office shall:

(1) develop a performance management system;

(2) take the lead in supporting and providing oversight for the implementation of major policy changes and in managing organizational changes; and

(3) act as a centralized body of experts within the commission that offers program evaluation and process improvement expertise.

(c) In developing a performance management system under Subsection (b)(1), the office shall:

(1) gather, measure, and evaluate performance measures and accountability systems used by the commission or a division within the commission;

(2) develop new and refined performance measures as appropriate; and

(3) establish targeted, high-level system metrics

1 that are capable of measuring and communicating overall performance
2 and achievement of goals by the commission to both internal and
3 public audiences through various mechanisms, including the
4 Internet.

5 (d) In providing support and oversight for the
6 implementation of policy or organizational changes within the
7 commission under Subsection (b)(2), the office shall:

8 (1) ensure individuals receiving services from or
9 participating in programs administered by the commission do not
10 lose visibility or attention during the implementation of any new
11 policy or organizational change by:

12 (A) establishing timelines and milestones for
13 any transition;

14 (B) supporting commission staff in any change
15 between service delivery methods; and

16 (C) providing feedback to executive management
17 on technical assistance and other support needed to achieve a
18 successful transition;

19 (2) address cultural differences among commission
20 staff; and

21 (3) track and oversee changes in policy or
22 organization mandated by legislation or administrative rule.

23 (e) In acting as a centralized body of experts under
24 Subsection (b)(3), the office shall:

25 (1) for the commission and divisions within the
26 commission, provide program evaluation and process improvement
27 guidance both generally and for specific projects identified with

1 executive or stakeholder input or through risk analysis; and

2 (2) identify and monitor cross-functional efforts
3 involving different divisions or offices within the commission and
4 the establishment of cross-functional teams when necessary to
5 improve the coordination of services provided by the commission.

6 (f) The executive commissioner may otherwise develop the
7 office's structure and duties as the executive commissioner
8 determines appropriate.

9 (b) As soon as practicable after the effective date of this
10 article but not later than October 1, 2015, the executive
11 commissioner of the Health and Human Services Commission shall
12 establish the office of policy and performance as an executive
13 office within the commission as required under Section 531.0083,
14 Government Code, as added by this article.

15 (c) The office of policy and performance required under
16 Section 531.0083, Government Code, as added by this article, shall
17 assist the Health and Human Services Transition Legislative
18 Oversight Committee created under Section 531.0203, Government
19 Code, as added by this article, by performing the functions
20 required of the office under Section 531.0083(b)(2), Government
21 Code, as added by this article, with respect to the consolidation
22 mandated by Subchapter A-1, Chapter 531, Government Code, as added
23 by this article.

24 SECTION 1.11. Section 531.017, Government Code, is amended
25 to read as follows:

26 Sec. 531.017. PURCHASING UNIT [~~DIVISION~~]. (a) The
27 commission shall establish a purchasing unit [~~division~~] for the

1 management of administrative activities related to the purchasing
2 functions within [~~of the commission and~~] the health and human
3 services system [~~agencies~~].

4 (b) The purchasing unit [~~division~~] shall:

5 (1) seek to achieve targeted cost reductions, increase
6 process efficiencies, improve technological support and customer
7 services, and enhance purchasing support within the [~~for each~~]
8 health and human services system [~~agency~~]; and

9 (2) if cost-effective, contract with private entities
10 to perform purchasing functions for the [~~commission and the~~] health
11 and human services system [~~agencies~~].

12 SECTION 1.12. (a) Sections 40.0515(d) and (e), Human
13 Resources Code, are amended to read as follows:

14 (d) A performance review conducted under Subsection (b)(3)
15 is considered a performance evaluation for purposes of Section
16 531.009(c), Government Code [~~40.032(c)~~]. The department shall
17 ensure that disciplinary or other corrective action is taken
18 against a supervisor or other managerial employee who is required
19 to conduct a performance evaluation for adult protective services
20 personnel under Section 531.009(c), Government Code, [~~40.032(c)~~]
21 or a performance review under Subsection (b)(3) and who fails to
22 complete that evaluation or review in a timely manner.

23 (e) The annual performance evaluation required under
24 Section 531.009(c), Government Code, [~~40.032(c)~~] of the
25 performance of a supervisor in the adult protective services
26 division must:

27 (1) be performed by an appropriate program

1 administrator; and

2 (2) include:

3 (A) an evaluation of the supervisor with respect
4 to the job performance standards applicable to the supervisor's
5 assigned duties; and

6 (B) an evaluation of the supervisor with respect
7 to the compliance of employees supervised by the supervisor with
8 the job performance standards applicable to those employees'
9 assigned duties.

10 (b) The changes in law made by this section apply to a
11 performance review performed on or after the date that the powers
12 and duties of the Department of Family and Protective Services are
13 transferred to the Health and Human Services Commission in
14 accordance with Subchapter A-1, Chapter 531, Government Code, as
15 added by this article. A performance review to which Sections
16 40.0515(d) and (e), Human Resources Code, as amended by this
17 article, apply that is performed before that date is governed by the
18 law in effect before the effective date of this article, and the
19 former law is continued in effect for that purpose.

20 SECTION 1.13. (a) The heading to Subchapter C, Chapter 112,
21 Human Resources Code, is amended to read as follows:

22 SUBCHAPTER C. [~~OFFICE FOR THE~~] PREVENTION OF DEVELOPMENTAL
23 DISABILITIES

24 (b) Section 112.042, Human Resources Code, is amended by
25 amending Subdivision (1) and adding Subdivisions (1-a) and (1-b) to
26 read as follows:

27 (1) "Commission" means the Health and Human Services

1 Commission.

2 (1-a) "Developmental disability" means a severe,
3 chronic disability that:

4 (A) is attributable to a mental or physical
5 impairment or to a combination of a mental and physical impairment;

6 (B) is manifested before a person reaches the age
7 of 22;

8 (C) is likely to continue indefinitely;

9 (D) results in substantial functional
10 limitations in three or more major life activities, including:

11 (i) self-care;

12 (ii) receptive and expressive language;

13 (iii) learning;

14 (iv) mobility;

15 (v) self-direction;

16 (vi) capacity for independent living; and

17 (vii) economic sufficiency; and

18 (E) reflects the person's needs for a combination
19 and sequence of special interdisciplinary or generic care,
20 treatment, or other lifelong or extended services that are
21 individually planned and coordinated.

22 (1-b) "Executive commissioner" means the executive
23 commissioner of the Health and Human Services Commission.

24 (c) Subchapter C, Chapter 112, Human Resources Code, is
25 amended by adding Sections 112.0421 and 112.0431 to read as
26 follows:

27 Sec. 112.0421. APPLICABILITY AND EXPIRATION OF CERTAIN

PROVISIONS. (a) Sections [112.041\(a\)](#), [112.043](#), [112.045](#), [112.0451](#), [112.0452](#), [112.0453](#), [112.0454](#), [112.046](#), [112.047](#), [112.0471](#), and [112.0472](#) apply only until the date the executive commissioner begins to administer this subchapter and the commission assumes the duties and functions of the Office for the Prevention of Developmental Disabilities in accordance with Section 112.0431.

(b) On the date the provisions listed in Subsection (a) cease to apply, the executive committee under Section [112.045](#) and the board of advisors under Section [112.046](#) are abolished.

(c) This section and Sections [112.041\(a\)](#), [112.043](#), [112.045](#), [112.0451](#), [112.0452](#), [112.0453](#), [112.0454](#), [112.046](#), [112.047](#), [112.0471](#), and [112.0472](#) expire on the deadline specified by Section 531.0204(a)(3), Government Code.

Sec. 112.0431. ADMINISTRATION OF SUBCHAPTER; CERTAIN REFERENCES. (a) Notwithstanding any other provision in this subchapter, the executive commissioner shall administer this subchapter beginning on the date specified in the transition plan under Section 531.0204, Government Code, and the commission shall perform the duties and functions of the Office for the Prevention of Developmental Disabilities in the organizational form the executive commissioner determines appropriate.

(b) Following the assumption of the administration of this subchapter by the executive commissioner and the duties and functions by the commission in accordance with Subsection (a):

(1) a reference in this subchapter to the office, the Office for the Prevention of Developmental Disabilities, or the executive committee of that office means the commission, the

division or other organizational unit within the commission designated by the executive commissioner, or the executive commissioner, as appropriate; and

(2) a reference in any other law to the Office for the Prevention of Developmental Disabilities has the meaning assigned by Subdivision (1).

(d) Section 112.044, Human Resources Code, is amended to read as follows:

Sec. 112.044. DUTIES. The office shall:

(1) educate the public and attempt to promote sound public policy regarding the prevention of developmental disabilities;

(2) identify, collect, and disseminate information and data concerning the causes, frequency of occurrence, and preventability of developmental disabilities;

(3) work with appropriate divisions within the commission, state agencies, and other entities to develop a coordinated long-range plan to effectively monitor and reduce the incidence or severity of developmental disabilities;

(4) promote and facilitate the identification, development, coordination, and delivery of needed prevention services;

(5) solicit, receive, and spend grants and donations from public, private, state, and federal sources;

(6) identify and encourage establishment of needed reporting systems to track the causes and frequencies of occurrence of developmental disabilities;

(7) develop, operate, and monitor programs created under Section 112.048 addressing ~~[task forces to address]~~ the prevention of specific targeted developmental disabilities;

(8) monitor and assess the effectiveness of divisions within the commission and of state agencies in preventing ~~[to prevent]~~ developmental disabilities;

(9) recommend the role each division within the commission and each state agency should have with regard to prevention of developmental disabilities;

(10) facilitate coordination of state agency prevention services and activities within the commission and among appropriate state agencies; and

(11) encourage cooperative, comprehensive, and complementary planning among public, private, and volunteer individuals and organizations engaged in prevention activities, providing prevention services, or conducting related research.

(e) Sections 112.048 and 112.049, Human Resources Code, are amended to read as follows:

Sec. 112.048. PREVENTION PROGRAMS FOR TARGETED DEVELOPMENTAL DISABILITIES ~~[TASK FORCES]~~. (a) The executive committee shall establish guidelines for:

- (1) selecting targeted disabilities;
- (2) assessing prevention services needs; and
- (3) reviewing ~~[task force]~~ plans, budgets, and operations for programs under this section.

(b) The executive committee shall ~~[create task forces made up of members of the board of advisors to]~~ plan and implement

1 prevention programs for specifically targeted developmental
2 disabilities. ~~[A task force operates as an administrative division~~
3 ~~of the office and can be abolished when it is ineffective or is no~~
4 ~~longer needed.]~~

5 (c) A program under this section ~~[task force shall]~~:

6 (1) must include ~~[develop]~~ a plan designed to reduce
7 the incidence of a specifically targeted disability;

8 (2) must include ~~[prepare]~~ a budget for implementing a
9 plan;

10 (3) must be funded ~~[arrange for funds]~~ through:

11 (A) contracts for services from participating
12 agencies;

13 (B) grants and gifts from private persons and
14 consumer and advocacy organizations; and

15 (C) foundation support; and

16 (4) must be approved by ~~[submit the plan, budget, and~~
17 ~~evidence of funding commitments to]~~ the executive committee ~~[for~~
18 ~~approval]~~.

19 ~~[(d) A task force shall regularly report to the executive~~
20 ~~committee, as required by the committee, the operation, progress,~~
21 ~~and results of the task force's prevention plan.]~~

22 Sec. 112.049. EVALUATION. (a) The office shall identify or
23 encourage the establishment of needed statistical bases for each
24 targeted group against which the office can measure how effectively
25 a ~~[task force]~~ program under Section 112.048 is reducing the
26 frequency or severity of a targeted developmental disability.

27 (b) The executive committee shall regularly monitor and

1 evaluate the results of [~~task force prevention~~] programs under
2 Section 112.048.

3 (f) The heading to Section 112.050, Human Resources Code, is
4 amended to read as follows:

5 Sec. 112.050. GRANTS AND OTHER FUNDING.

6 (g) Section 112.050, Human Resources Code, is amended by
7 amending Subsection (c) and adding Subsection (d) to read as
8 follows:

9 (c) The executive committee may not submit a legislative
10 appropriation request for general revenue funds for purposes of
11 this subchapter.

12 (d) In addition to funding under Subsection (a), the office
13 may accept and solicit gifts, donations, and grants of money from
14 public and private sources, including the federal government, local
15 governments, and private entities, to assist in financing the
16 duties and functions of the office. The commission shall support
17 office fund-raising efforts authorized by this subsection. Funds
18 raised under this subsection may only be spent in furtherance of a
19 duty or function of the office or in accordance with rules
20 applicable to the office.

21 (h) Section 112.051, Human Resources Code, is amended to
22 read as follows:

23 Sec. 112.051. REPORTS TO LEGISLATURE. The office shall
24 submit by February 1 of each odd-numbered year biennial reports to
25 the legislature detailing findings of the office and the results of
26 [~~task force prevention~~] programs under Section 112.048 and
27 recommending improvements in the delivery of developmental

1 disability prevention services.

2 (i) Notwithstanding the changes in law made by this section,
3 the Office for the Prevention of Developmental Disabilities and any
4 administrative entity of the Office for the Prevention of
5 Developmental Disabilities shall continue to operate under the law
6 as it existed before the effective date of this article, and that
7 law is continued in effect for that purpose, until the executive
8 commissioner of the Health and Human Services Commission begins
9 administering Subchapter C, Chapter 112, Human Resources Code, as
10 amended by this article, and the commission begins performing the
11 duties and functions of the Office for the Prevention of
12 Developmental Disabilities as required by Section 112.0431, Human
13 Resources Code, as added by this article, on the date specified in
14 the transition plan required under Section 531.0204, Government
15 Code, as added by this article.

16 (j) The executive commissioner of the Health and Human
17 Services Commission shall begin administering Subchapter C,
18 Chapter 112, Human Resources Code, as amended by this article, and
19 the commission shall begin performing the duties and functions of
20 the Office for the Prevention of Developmental Disabilities as
21 required by Section 112.0431, Human Resources Code, as added by
22 this article, on the date specified in the transition plan required
23 under Section 531.0204, Government Code, as added by this article.

24 SECTION 1.14. (a) The heading to Chapter 114, Human
25 Resources Code, is amended to read as follows:

26 CHAPTER 114. [~~TEXAS COUNCIL ON~~] AUTISM AND PERVASIVE

27 DEVELOPMENTAL DISORDERS

(b) Section 114.002, Human Resources Code, is amended by adding Subdivisions (1-a) and (3) to read as follows:

(1-a) "Commission" means the Health and Human Services Commission.

(3) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

(c) Chapter 114, Human Resources Code, is amended by adding Sections 114.0021 and 114.0031 to read as follows:

Sec. 114.0021. APPLICABILITY AND EXPIRATION OF CERTAIN PROVISIONS. (a) Sections 114.001, 114.003, 114.004, 114.005, 114.007(a), and 114.010(d) apply only until the date the executive commissioner begins to administer this chapter and the commission assumes the duties and functions of the Texas Council on Autism and Pervasive Developmental Disorders in accordance with Section 114.0031.

(b) On the date the provisions listed in Subsection (a) cease to apply, the Texas Council on Autism and Pervasive Developmental Disorders is abolished.

(c) This section and Sections 114.001, 114.003, 114.004, 114.005, 114.007(a), and 114.010(d) expire on the deadline specified by Section 531.0204(a)(3), Government Code.

Sec. 114.0031. ADMINISTRATION OF CHAPTER; CERTAIN REFERENCES. (a) Notwithstanding any other provision in this chapter, the executive commissioner shall administer this chapter beginning on the date specified in the transition plan under Section 531.0204, Government Code, and the commission shall perform the duties and functions of the Texas Council on Autism and

1 Pervasive Developmental Disorders in the organizational form the
2 executive commissioner determines appropriate.

3 (b) Following the assumption of the administration of this
4 chapter by the executive commissioner and the duties and functions
5 by the commission in accordance with Subsection (a):

6 (1) a reference in this chapter to the council, the
7 Texas Council on Autism and Pervasive Developmental Disorders, or
8 an agency represented on the council, means the commission, the
9 division or other organizational unit within the commission
10 designated by the executive commissioner, or the executive
11 commissioner, as appropriate; and

12 (2) a reference in any other law to the Texas Council
13 on Autism and Pervasive Developmental Disorders has the meaning
14 assigned by Subdivision (1).

15 (d) Section 114.006(b), Human Resources Code, is amended to
16 read as follows:

17 (b) The council shall make written recommendations on the
18 implementation of this chapter. If the council considers a
19 recommendation that will affect another state ~~[an]~~ agency ~~[not~~
20 ~~represented on the council]~~, the council shall seek the advice and
21 assistance of the agency before taking action on the
22 recommendation. On approval of the governing body of the agency,
23 each agency affected by a council recommendation shall implement
24 the recommendation. If an agency does not have sufficient funds to
25 implement a recommendation, the agency shall request funds for that
26 purpose in its next budget proposal.

27 (e) Sections 114.007(b) and (c), Human Resources Code, are

1 amended to read as follows:

2 (b) The council with [~~the advice of the advisory task force~~
3 ~~and~~] input from people with autism and other pervasive
4 developmental disorders, their families, and related advocacy
5 organizations shall address contemporary issues affecting services
6 available to persons with autism or other pervasive developmental
7 disorders in this state, including:

8 (1) successful intervention and treatment strategies,
9 including transitioning;

10 (2) personnel preparation and continuing education;

11 (3) referral, screening, and evaluation services;

12 (4) day care, respite care, or residential care
13 services;

14 (5) vocational and adult training programs;

15 (6) public awareness strategies;

16 (7) contemporary research;

17 (8) early identification strategies;

18 (9) family counseling and case management; and

19 (10) recommendations for monitoring autism service
20 programs.

21 (c) The council with [~~the advice of the advisory task force~~
22 ~~and~~] input from people with autism and other pervasive
23 developmental disorders, their families, and related advocacy
24 organizations shall advise the legislature on legislation that is
25 needed to develop further and to maintain a statewide system of
26 quality intervention and treatment services for all persons with
27 autism or other pervasive developmental disorders. The council may

1 develop and recommend legislation to the legislature or comment on
2 pending legislation that affects those persons.

3 (f) Section 114.008, Human Resources Code, is amended to
4 read as follows:

5 Sec. 114.008. REPORT. (a) ~~[The agencies represented on the~~
6 ~~council and the public members shall report to the council any~~
7 ~~requirements identified by the agency or person to provide~~
8 ~~additional or improved services to persons with autism or other~~
9 ~~pervasive developmental disorders.]~~ Not later than November 1 of
10 each even-numbered year, the council shall:

11 (1) prepare a report summarizing requirements the
12 council identifies and recommendations for providing additional or
13 improved services to persons with autism or other pervasive
14 developmental disorders; and

15 (2) deliver the report to the executive commissioner
16 ~~[of the Health and Human Services Commission]~~, the governor, the
17 lieutenant governor, and the speaker of the house of
18 representatives ~~[a report summarizing the recommendations]~~.

19 (b) The council shall develop a strategy for establishing
20 new programs to meet the requirements identified through the
21 council's review and assessment and from input from ~~[the task~~
22 ~~force]~~ people with autism and related pervasive developmental
23 disorders, their families, and related advocacy organizations.

24 (g) Section 114.013, Human Resources Code, is amended to
25 read as follows:

26 Sec. 114.013. COORDINATION OF RESOURCES FOR INDIVIDUALS
27 WITH AUTISM SPECTRUM DISORDERS ~~[RESOURCE CENTER]~~. (a) The

commission [~~Health and Human Services Commission~~] shall [~~establish and administer an autism spectrum disorders resource center to~~] coordinate resources for individuals with autism and other pervasive developmental disorders and their families. In coordinating those resources [~~establishing and administering the center~~], the commission [~~Health and Human Services Commission~~] shall consult with [~~the council and coordinate with~~] appropriate state agencies[, ~~including each agency represented on the council~~].

(b) As part of coordinating resources under Subsection (a), the commission [~~The Health and Human Services Commission~~] shall [~~design the center to~~]:

(1) collect and distribute information and research regarding autism and other pervasive developmental disorders;

(2) conduct training and development activities for persons who may interact with an individual with autism or another pervasive developmental disorder in the course of their employment, including school, medical, or law enforcement personnel;

(3) coordinate with local entities that provide services to an individual with autism or another pervasive developmental disorder; and

(4) provide support for families affected by autism and other pervasive developmental disorders.

(h) Notwithstanding the changes in law made by this section, the Texas Council on Autism and Pervasive Developmental Disorders and any administrative entity of the Texas Council on Autism and Pervasive Developmental Disorders shall continue to operate under the law as it existed before the effective date of this article, and

1 that law is continued in effect for that purpose, until the
2 executive commissioner of the Health and Human Services Commission
3 begins administering Chapter 114, Human Resources Code, as amended
4 by this article, and the commission begins performing the duties
5 and functions of the Texas Council on Autism and Pervasive
6 Developmental Disorders as required by Section 114.0031, Human
7 Resources Code, as added by this article, on the date specified in
8 the transition plan required under Section 531.0204, Government
9 Code, as added by this article.

10 (i) The executive commissioner of the Health and Human
11 Services Commission shall begin administering Chapter 114, Human
12 Resources Code, as amended by this article, and the commission
13 shall begin performing the duties and functions of the Texas
14 Council on Autism and Pervasive Developmental Disorders as required
15 by Section 114.0031, Human Resources Code, as added by this
16 article, on the date specified in the transition plan required
17 under Section 531.0204, Government Code, as added by this article.

18 SECTION 1.15. (a) Effective September 1, 2016, the
19 following provisions of the Government Code are repealed:

20 (1) Section [531.0163](#); and

21 (2) Subchapter K, Chapter 531.

22 (b) Effective September 1, 2016, the following provisions
23 of the Health and Safety Code are repealed:

24 (1) Section 1001.002;

25 (2) Section 1001.021;

26 (3) Section 1001.022;

27 (4) Section 1001.023;

- 1 (5) Section 1001.024;
- 2 (6) Section 1001.025;
- 3 (7) Section 1001.026;
- 4 (8) Section 1001.027;
- 5 (9) Section 1001.028;
- 6 (10) Section 1001.029;
- 7 (11) Section 1001.030;
- 8 (12) Section 1001.032;
- 9 (13) Subchapter C, Chapter 1001; and
- 10 (14) Section 1001.074.

11 (c) Effective September 1, 2016, the following provisions
12 of the Human Resources Code are repealed:

- 13 (1) Section 40.002(a);
- 14 (2) Section 40.004;
- 15 (3) Section 40.0041;
- 16 (4) Section 40.021;
- 17 (5) Section 40.022;
- 18 (6) Section 40.0226;
- 19 (7) Section 40.024;
- 20 (8) Section 40.025;
- 21 (9) Section 40.026;
- 22 (10) Section 40.027;
- 23 (11) Section 40.032;
- 24 (12) Section 40.033;
- 25 (13) Section 117.002;
- 26 (14) Section 117.021;
- 27 (15) Section 117.022;

- 1 (16) Section 117.023;
- 2 (17) Section 117.024;
- 3 (18) Section 117.025;
- 4 (19) Section 117.026;
- 5 (20) Section 117.027;
- 6 (21) Section 117.028;
- 7 (22) Section 117.029;
- 8 (23) Section 117.030;
- 9 (24) Section 117.032;
- 10 (25) Section 117.051;
- 11 (26) Section 117.052;
- 12 (27) Section 117.053;
- 13 (28) Section 117.054;
- 14 (29) Section 117.055;
- 15 (30) Section 117.056;
- 16 (31) Section 117.072;
- 17 (32) Section 161.002;
- 18 (33) Subchapter B, Chapter 161;
- 19 (34) Section 161.051;
- 20 (35) Section 161.052;
- 21 (36) Section 161.053;
- 22 (37) Section 161.054;
- 23 (38) Section 161.055;
- 24 (39) Section 161.056; and
- 25 (40) Section [161.072](#).

26 (d) Notwithstanding Subsections (a), (b), and (c) of this
27 section, the implementation of a provision repealed by this section

1 ceases on the date the responsible state agency or entity listed in
2 Section 531.0202, Government Code, as added by this article, is
3 abolished as provided by Subchapter A-1, Chapter 531, Government
4 Code, as added by this article.

5 ARTICLE 2. HEALTH AND HUMAN SERVICES SYSTEM OPERATIONS

6 SECTION 2.01. Section 531.001, Government Code, is amended
7 by adding Subdivision (3-a) to read as follows:

8 (3-a) "Health and human services system" means the
9 system for providing or otherwise administering health and human
10 services in this state by the commission, including through an
11 office or division of the commission or through another entity
12 under the administrative and operational control of the executive
13 commissioner.

14 SECTION 2.02. Subchapter A, Chapter 531, Government Code,
15 is amended by adding Section 531.00551 to read as follows:

16 Sec. 531.00551. CONSOLIDATED INTERNAL AUDIT PROGRAM. (a)
17 Notwithstanding Section 2102.005, the commission shall operate the
18 internal audit program required under Chapter 2102 for the
19 commission and each health and human services agency as a
20 consolidated internal audit program.

21 (b) For purposes of this section, a reference in Chapter
22 2102 to the administrator of a state agency with respect to a health
23 and human services agency means the executive commissioner.

24 (c) This section expires on the deadline specified by
25 Section 531.0204(a)(3).

26 SECTION 2.03. Section 531.006, Government Code, is amended
27 to read as follows:

1 Sec. 531.006. ELIGIBILITY FOR APPOINTMENT AS EXECUTIVE
 2 COMMISSIONER; EMPLOYEE RESTRICTIONS. (a) In this section, "Texas
 3 trade association" means a cooperative and voluntarily joined
 4 statewide association of business or professional competitors in
 5 this state designed to assist its members and its industry or
 6 profession in dealing with mutual business or professional problems
 7 and in promoting their common interest.

8 (a-1) A person may not be appointed ~~[is not eligible for~~
 9 ~~appointment]~~ as executive commissioner, may not serve on the
 10 commission's executive council, and may not be a commission
 11 employee employed in a "bona fide executive, administrative, or
 12 professional capacity," as that phrase is used for purposes of
 13 establishing an exemption to the overtime provisions of the federal
 14 Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.) if:

15 (1) the person is an officer, employee, or paid
 16 consultant of a Texas trade association in the field of health and
 17 human services; or

18 (2) the person's spouse is an ~~[employee,~~
 19 manager, or paid consultant of a Texas trade association in the ~~[a]~~
 20 field of health and human services ~~[under the commission's~~
 21 ~~jurisdiction]~~.

22 (b) A person may not be appointed as executive commissioner
 23 or act as general counsel of the commission if the person ~~[who]~~ is
 24 required to register as a lobbyist under Chapter 305 because of the
 25 person's activities for compensation ~~[in or]~~ on behalf of a
 26 profession related to the operation of the commission ~~[a field~~
 27 ~~under the commission's jurisdiction may not serve as commissioner]~~.

1 (c) A person may not be appointed [~~is not eligible for~~
2 ~~appointment~~] as executive commissioner if the person has a
3 financial interest in a corporation, organization, or association
4 under contract with the commission or a health and human services
5 agency [~~the Texas Department of Mental Health and Mental~~
6 ~~Retardation~~], a local mental health or intellectual and
7 developmental disability [~~mental retardation~~] authority, or a
8 community center.

9 SECTION 2.04. Section [531.008](#)(c), Government Code, is
10 amended to read as follows:

11 (c) The executive commissioner shall establish the
12 following divisions and offices within the commission:

13 (1) the eligibility services division to make
14 eligibility determinations for services provided through the
15 commission or a health and human services agency related to:

16 (A) the child health plan program;

17 (B) the financial assistance program under
18 Chapter 31, Human Resources Code;

19 (C) the medical assistance program under Chapter
20 32, Human Resources Code;

21 (D) the nutritional assistance programs under
22 Chapter 33, Human Resources Code;

23 (E) long-term care services, as defined by
24 Section [22.0011](#), Human Resources Code;

25 (F) community-based support services identified
26 or provided in accordance with Section [531.02481](#); and

27 (G) other health and human services programs, as

appropriate;

(2) the office of inspector general to perform fraud and abuse investigation and enforcement functions as provided by Subchapter C and other law;

(3) the office of the ombudsman as provided by Section 531.0171 ~~[to]~~

~~[(A) provide dispute resolution services for the commission and the health and human services agencies; and~~

~~[(B) perform consumer protection functions related to health and human services];~~

(4) a purchasing division as provided by Section 531.017; and

(5) an internal audit division to conduct a program of internal auditing in accordance with ~~[Government Code]~~ Chapter 2102.

SECTION 2.05. Section 531.0161, Government Code, is amended by adding Subsection (c) to read as follows:

(c) The commission shall:

(1) coordinate the implementation of the policy developed under Subsection (a);

(2) provide training as needed to implement the procedures for negotiated rulemaking or alternative dispute resolution; and

(3) collect data concerning the effectiveness of those procedures.

SECTION 2.06. (a) Subchapter A, Chapter 531, Government Code, is amended by adding Section 531.0164 to read as follows:

1 Sec. 531.0164. HEALTH AND HUMAN SERVICES SYSTEM INTERNET
2 WEBSITE COORDINATION. The commission shall establish a process to
3 ensure Internet websites across the health and human services
4 system are developed and maintained according to standard criteria
5 for uniformity, efficiency, and technical capabilities. Under the
6 process, the commission shall:

7 (1) develop and maintain an inventory of all health
8 and human services system Internet websites;

9 (2) on an ongoing basis, evaluate the inventory
10 maintained under Subdivision (1) to:

11 (A) determine whether any of the Internet
12 websites should be consolidated to improve public access to those
13 websites' content; and

14 (B) ensure the Internet websites comply with the
15 standard criteria; and

16 (3) if appropriate, consolidate the websites
17 identified under Subdivision (2)(A).

18 (b) As soon as possible after the effective date of this
19 article, the Health and Human Services Commission shall implement
20 Section 531.0164, Government Code, as added by this article.

21 (c) As soon as possible after a state agency or entity is
22 abolished as provided by Section 531.0202, Government Code, as
23 added by this Act, the Health and Human Services Commission shall,
24 in accordance with Section 531.0164, Government Code, as added by
25 this article, ensure that an Internet website operated by or
26 related to the abolished state agency or entity is updated,
27 transferred, or consolidated to reflect the consolidation mandated

by Subchapter A-1, Chapter 531, Government Code, as added by this Act.

SECTION 2.07. (a) Subchapter A, Chapter 531, Government Code, is amended by adding Section 531.0171 to read as follows:

Sec. 531.0171. OFFICE OF OMBUDSMAN. (a) The executive commissioner shall establish the commission's office of the ombudsman with authority and responsibility over the health and human services system in performing the following functions:

(1) providing dispute resolution services for the health and human services system;

(2) performing consumer protection and advocacy functions related to health and human services, including assisting a consumer or other interested person with:

(A) raising a matter within the health and human services system that the person feels is being ignored; and

(B) obtaining information regarding a filed complaint; and

(3) collecting inquiry and complaint data related to the health and human services system.

(b) The office of the ombudsman does not have the authority to provide a separate process for resolving complaints or appeals.

(c) The executive commissioner shall develop a standard process for tracking and reporting received inquiries and complaints within the health and human services system. The process must provide for the centralized tracking of inquiries and complaints submitted to field, regional, or other local health and human services system offices.

1 (d) Using the process developed under Subsection (c), the
2 office of the ombudsman shall collect inquiry and complaint data
3 from all offices, agencies, divisions, and other entities within
4 the health and human services system. To assist with the collection
5 of data under this subsection, the office may access any system or
6 process for recording inquiries and complaints used or maintained
7 within the health and human services system.

8 (b) As soon as possible after the effective date of this
9 article, the executive commissioner of the Health and Human
10 Services Commission shall implement Section 531.0171, Government
11 Code, as added by this article.

12 (c) Notwithstanding any other provision of state law, each
13 office of an ombudsman established before the effective date of
14 this section that performs ombudsman duties for a state agency or
15 entity subject to abolition under Section 531.0202, Government
16 Code, as added by this Act, is abolished on the date the state
17 agency or entity for which the office performs ombudsman duties is
18 abolished in accordance with the transition plan under Section
19 531.0204, Government Code, as added by this Act, except that the
20 following are not abolished and continue in existence:

21 (1) the office of independent ombudsman for state
22 supported living centers established under Subchapter C, Chapter
23 555, Health and Safety Code;

24 (2) the office of the state long-term care ombudsman;
25 and

26 (3) any other ombudsman office serving all or part of
27 the health and human services system that is required by federal

1 law.

2 (d) The executive commissioner of the Health and Human
3 Services Commission shall certify which offices of ombudsman are
4 abolished, and which are exempt from abolition, under Subsection
5 (c) of this section and shall publish that certification in the
6 Texas Register not later than September 1, 2016.

7 (e) Section 533.039, Health and Safety Code, is repealed.

8 SECTION 2.08. (a) Subchapter A, Chapter 531, Government
9 Code, is amended by adding Section 531.0192 to read as follows:

10 Sec. 531.0192. HEALTH AND HUMAN SERVICES SYSTEM HOTLINE AND
11 CALL CENTER COORDINATION. (a) The commission shall establish a
12 process to ensure all health and human services system hotlines and
13 call centers are necessary and appropriate. Under the process, the
14 commission shall:

15 (1) develop criteria for use in assessing whether a
16 hotline or call center serves an ongoing purpose;

17 (2) develop and maintain an inventory of all system
18 hotlines and call centers;

19 (3) use the inventory and assessment criteria
20 developed under this subsection to periodically consolidate
21 hotlines and call centers along appropriate functional lines; and

22 (4) develop an approval process designed to ensure
23 that a newly established hotline or call center, including the
24 telephone system and contract terms for the hotline or call center,
25 meets policies and standards established by the commission.

26 (b) In consolidating hotlines and call centers under
27 Subsection (a)(3), the commission shall seek to maximize the use

1 and effectiveness of the commission's 2-1-1 telephone number.

2 (b) As soon as possible after the effective date of this
3 article, the Health and Human Services Commission shall implement
4 Section 531.0192, Government Code, as added by this article.

5 (c) Not later than March 1, 2016, the Health and Human
6 Services Commission shall complete an initial assessment and
7 consolidation of hotlines and call centers, as required by Section
8 531.0192, Government Code, as added by this article.

9 (d) As soon as possible after a state agency or entity is
10 abolished as provided by Section 531.0202, Government Code, as
11 added by this Act, the Health and Human Services Commission shall,
12 in accordance with Section 531.0192, Government Code, as added by
13 this article, ensure a hotline or call center operated or
14 administered by the abolished state agency or entity is transferred
15 or consolidated to reflect the consolidation mandated by Subchapter
16 A-1, Chapter 531, Government Code, as added by this Act.

17 SECTION 2.09. (a) Section 531.0211(b), Government Code,
18 is amended to read as follows:

19 (b) The report must include:

20 (1) for each state agency described by Subsection (a):

21 (A) a description of each of the Medicaid
22 programs administered or operated by the agency; and

23 (B) an accounting of all funds related to the
24 state Medicaid program received and disbursed by the agency during
25 the period covered by the report, including:

26 (i) the amount of any federal medical
27 assistance funds allocated to the agency for the support of each of

the Medicaid programs operated or administered by the agency;

(ii) the amount of any funds appropriated by the legislature to the agency for each of those programs; and

(iii) the amount of medical assistance payments and related expenditures made by or in connection with each of those programs; and

(2) for each Medicaid program identified in the report:

(A) the amount and source of funds or other revenue received by or made available to the agency for the program; ~~and~~

(B) the amount spent on each type of service or benefit provided by or under the program;

(C) the amount spent on program operations, including eligibility determination, claims processing, and case management; and

(D) the amount spent on any other administrative costs ~~[information required by Section 531.02112(b)]~~.

(b) The following provisions are repealed:

(1) Section 531.02112, Government Code;

(2) Sections 531.03131(f) and (g), Government Code;

(3) Section 2155.144(o), Government Code; and

(4) Section 22.0251(b), Human Resources Code.

SECTION 2.10. (a) Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.02118 to read as follows:

Sec. 531.02118. STREAMLINING MEDICAID PROVIDER ENROLLMENT AND CREDENTIALING PROCESSES. (a) The commission shall streamline

provider enrollment and credentialing processes under the Medicaid program.

(b) In streamlining the Medicaid provider enrollment process, the commission shall establish a centralized Internet portal through which providers may enroll in the Medicaid program. The commission may use the Internet portal created under this subsection to create a single, consolidated Medicaid provider enrollment and credentialing process.

(c) In streamlining the Medicaid provider credentialing process under this section, the commission may designate a centralized credentialing entity and may:

(1) share information in the database established under Subchapter C, Chapter 32, Human Resources Code, with the centralized credentialing entity; and

(2) require all managed care organizations contracting with the commission to provide health care services to Medicaid recipients under a managed care plan issued by the organization to use the centralized credentialing entity as a hub for the collection and sharing of information.

(d) If cost-effective, the commission may contract with a third party to develop the single, consolidated Medicaid provider enrollment and credentialing process authorized under Subsection (b).

(b) The Health and Human Services Commission shall streamline provider enrollment and credentialing processes as required under Section 531.02118, Government Code, as added by this article, not later than September 1, 2016.

SECTION 2.11. (a) Section 531.02141, Government Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c) The commission shall regularly evaluate data submitted by managed care organizations that contract with the commission under Chapter 533 to determine whether:

(1) the data continues to serve a useful purpose; and

(2) additional data is needed to oversee contracts or evaluate the effectiveness of the Medicaid program.

(d) The commission shall collect Medicaid managed care data that effectively captures the quality of services received by Medicaid recipients.

(e) The commission shall develop a dashboard for agency leadership that is designed to assist leadership with overseeing the Medicaid program and comparing the performance of managed care organizations participating in the program. The dashboard must identify a concise number of important Medicaid indicators, including key data, performance measures, trends, and problems.

(b) Not later than March 1, 2016, the Health and Human Services Commission shall develop the dashboard required by Section 531.02141(e), Government Code, as added by this article.

SECTION 2.12. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.02731 to read as follows:

Sec. 531.02731. REPORT OF INFORMATION RESOURCES MANAGER TO COMMISSION. (a) Notwithstanding Section 2054.075(b), the information resources manager of a health and human services agency shall report directly to the executive commissioner or a deputy executive commissioner designated by the executive commissioner.

1 (b) This section expires on the deadline specified by
2 Section 531.0204(a)(3).

3 SECTION 2.13. Section 531.102, Government Code, is amended
4 by adding Subsections (p) and (q) to read as follows:

5 (p) In accordance with Section 533.015(b), the office shall
6 consult with the executive commissioner regarding the adoption of
7 rules defining the office's role in and jurisdiction over, and the
8 frequency of, audits of managed care organizations participating in
9 the Medicaid program that are conducted by the office and the
10 commission.

11 (q) The office shall coordinate all audit and oversight
12 activities, including the development of audit plans, risk
13 assessments, and findings, with the commission to minimize the
14 duplication of activities. In coordinating activities under this
15 subsection, the office shall:

16 (1) on an annual basis, seek input from the commission
17 and consider previous audits and onsite visits made by the
18 commission for purposes of determining whether to audit a managed
19 care organization participating in the Medicaid program; and

20 (2) request the results of any informal audit or
21 onsite visit performed by the commission that could inform the
22 office's risk assessment when determining whether to conduct, or
23 the scope of, an audit of a managed care organization participating
24 in the Medicaid program.

25 SECTION 2.14. (a) Section 531.1031(a), Government Code, is
26 amended to read as follows:

27 (a) In this section and Sections 531.1032, 531.1033, and

1 531.1034:

2 (1) "Health care professional" means a person issued a
3 license[~~, registration, or certification~~] to engage in a health
4 care profession.

5 (1-a) "License" means a license, certificate,
6 registration, permit, or other authorization that:

7 (A) is issued by a licensing authority; and

8 (B) must be obtained before a person may practice
9 or engage in a particular business, occupation, or profession.

10 (1-b) "Licensing authority" means a department,
11 commission, board, office, or other agency of the state that issues
12 a license.

13 (1-c) "Office" means the commission's office of
14 inspector general unless a different meaning is plainly required by
15 the context in which the term appears.

16 (2) "Participating agency" means:

17 (A) the Medicaid fraud enforcement divisions of
18 the office of the attorney general;

19 (B) each licensing authority [~~board or agency~~]
20 with authority to issue a license to [~~, register, regulate, or~~
21 ~~certify~~] a health care professional or managed care organization
22 that may participate in the [~~state~~] Medicaid program; and

23 (C) the [~~commission's~~] office [~~of inspector~~
24 ~~general~~].

25 (3) "Provider" has the meaning assigned by Section
26 531.1011(10)(A).

27 (b) Subchapter C, Chapter 531, Government Code, is amended

1 by adding Sections 531.1032, 531.1033, and 531.1034 to read as
2 follows:

3 Sec. 531.1032. OFFICE OF INSPECTOR GENERAL: CRIMINAL
4 HISTORY RECORD INFORMATION CHECK. (a) The office and each
5 licensing authority that requires the submission of fingerprints
6 for the purpose of conducting a criminal history record information
7 check of a health care professional shall enter into a memorandum of
8 understanding to ensure that only persons who are licensed and in
9 good standing as health care professionals participate as providers
10 in the Medicaid program. The memorandum under this section may be
11 combined with a memorandum authorized under Section 531.1031(c-1)
12 and must include a process by which:

13 (1) the office may confirm with a licensing authority
14 that a health care professional is licensed and in good standing for
15 purposes of determining eligibility to participate in the Medicaid
16 program; and

17 (2) the licensing authority immediately notifies the
18 office if:

19 (A) a provider's license has been revoked or
20 suspended; or

21 (B) the licensing authority has taken
22 disciplinary action against a provider.

23 (b) The office may not, for purposes of determining a health
24 care professional's eligibility to participate in the Medicaid
25 program as a provider, conduct a criminal history record
26 information check of a health care professional who the office has
27 confirmed under Subsection (a) is licensed and in good standing.

1 This subsection does not prohibit the office from performing a
2 criminal history record information check of a provider that is
3 required or appropriate for other reasons, including for conducting
4 an investigation of fraud, waste, or abuse.

5 (c) For purposes of determining eligibility to participate
6 in the Medicaid program, the office, after seeking public input,
7 shall establish and the executive commissioner by rule shall adopt
8 guidelines for the evaluation of criminal history record
9 information of providers and potential providers not subject to a
10 criminal history record information check by a licensing authority
11 described by Subsection (a). The guidelines must outline conduct,
12 by provider type, that may be contained in criminal history record
13 information that will result in exclusion of a person from the
14 Medicaid program, taking into consideration:

15 (1) the extent to which the underlying conduct relates
16 to the services provided under the program;

17 (2) the degree to which the person would interact with
18 Medicaid recipients as a provider; and

19 (3) any previous evidence that the person engaged in
20 fraud, waste, or abuse under the Medicaid program.

21 (d) The office and the commission shall use the guidelines
22 adopted under Subsection (c) to determine whether a provider about
23 whom the office is notified as provided by Subsection (a)(2) may
24 continue participating in the Medicaid program as a provider.

25 (e) The provider enrollment contractor, if applicable, and
26 a managed care organization participating in the Medicaid program
27 shall defer to the office regarding whether a person's criminal

1 history record information precludes the person from participating
2 in the Medicaid program as a provider.

3 Sec. 531.1033. MONITORING OF CERTAIN FEDERAL DATABASES.
4 The office shall routinely check appropriate federal databases,
5 including databases referenced in 42 C.F.R. Section 455.436, to
6 ensure that a person who is excluded from participating in the
7 Medicaid or Medicare program by the federal government is not
8 participating as a provider in the program.

9 Sec. 531.1034. TIME TO DETERMINE PROVIDER ELIGIBILITY;
10 PERFORMANCE METRICS. (a) Not later than the 10th day after the
11 date the office receives the complete application of a health care
12 professional seeking to participate in the Medicaid program, the
13 office shall inform the commission or the health care professional,
14 as appropriate, of the office's determination regarding whether the
15 health care professional should be excluded from participating in
16 the Medicaid program based on:

17 (1) information concerning the licensing status of the
18 health care professional obtained as described by Section
19 531.1032(a);

20 (2) information contained in the criminal history
21 record information check that is evaluated in accordance with
22 guidelines adopted under Section 531.1032(c);

23 (3) a review of federal databases under Section
24 531.1033;

25 (4) the pendency of an open investigation by the
26 office; or

27 (5) any other reason the office determines

1 appropriate.

2 (b) Completion of an on-site visit of a health care
3 professional during the period prescribed by Subsection (a) is not
4 required.

5 (c) The office shall develop performance metrics to measure
6 the length of time for conducting a determination described by
7 Subsection (a) with respect to applications that are complete when
8 submitted and all other applications.

9 (c) Not later than September 1, 2016, the executive
10 commissioner of the Health and Human Services Commission shall
11 adopt the guidelines required under Section 531.1032(c),
12 Government Code, as added by this section.

13 SECTION 2.15. (a) Chapter 531, Government Code, is amended
14 by adding Subchapter M to read as follows:

15 SUBCHAPTER M. COORDINATION OF QUALITY INITIATIVES

16 Sec. 531.451. OPERATIONAL PLAN TO COORDINATE INITIATIVES.

17 (a) The commission shall develop and implement a comprehensive,
18 coordinated operational plan to ensure a consistent approach across
19 the major quality initiatives of the health and human services
20 system for improving the quality of health care.

21 (b) The operational plan developed under this section must
22 include broad goals for the improvement of the quality of health
23 care in this state, including health care services provided through
24 the Medicaid program.

25 Sec. 531.452. REVISION OF MAJOR INITIATIVES.

26 Notwithstanding any other law, the commission shall revise major
27 quality initiatives of the health and human services system in

accordance with the operational plan and health care quality improvement goals developed under Section 531.451. To the extent it is possible, the commission shall ensure that outcome measure data is collected and reported consistently across all major quality initiatives to improve the evaluation of the initiatives' statewide impact.

Sec. 531.453. INCENTIVES FOR INITIATIVE COORDINATION. The commission shall consider and, if the commission determines it appropriate, develop incentives that promote coordination among the various major quality initiatives in accordance with this subchapter, including projects and initiatives approved under the Texas Health Care Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315).

Sec. 531.454. RENEWAL OF FEDERAL AUTHORIZATION FOR MEDICAID REFORM. (a) When the commission seeks to renew the Texas Health Care Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), the commission shall, to the extent permitted under federal law:

(1) seek to reduce the number of approved project options that may be funded under the waiver using delivery system reform incentive payments to include only those projects that are:

(A) the most critical for improving the quality of health care, including behavioral health services; and

(B) consistent with the operational plan and health care quality improvement goals developed under Section

1 531.451; and

2 (2) allow a delivery system reform incentive payment
3 project that, as a result of Subdivision (1), is no longer an option
4 under the waiver, to continue operating as long as the project meets
5 funding requirements and outcome objectives.

6 (b) In reducing the number of approved project options under
7 Subsection (a), the commission shall take into consideration the
8 diversity of local and regional health care needs in this state.

9 (c) This section expires September 1, 2017.

10 (b) As soon as possible after the effective date of this
11 article, the Health and Human Services Commission shall develop the
12 operational plan and perform the other actions corresponding with
13 the operational plan as required under Subchapter M, Chapter 531,
14 Government Code, as added by this article.

15 SECTION 2.16. Section 533.00255(a), Government Code, is
16 amended to read as follows:

17 (a) In this section, "behavioral health services" means
18 mental health and substance abuse disorder services~~[, other than~~
19 ~~those provided through the NorthSTAR demonstration project]~~.

20 SECTION 2.17. Subchapter A, Chapter 533, Government Code,
21 is amended by adding Section 533.002551 to read as follows:

22 Sec. 533.002551. MONITORING OF COMPLIANCE WITH BEHAVIORAL
23 HEALTH INTEGRATION. (a) In this section, "behavioral health
24 services" has the meaning assigned by Section 533.00255.

25 (b) In monitoring contracts the commission enters into with
26 managed care organizations under this chapter, the commission
27 shall:

1 (1) ensure managed care organizations fully integrate
2 behavioral health services into a recipient's primary care
3 coordination;

4 (2) use performance audits and other oversight tools
5 to improve monitoring of the provision and coordination of
6 behavioral health services; and

7 (3) establish performance measures that may be used to
8 determine the effectiveness of the integration of behavioral health
9 services.

10 (c) In monitoring a managed care organization's compliance
11 with behavioral health services integration requirements under
12 this section, the commission shall give particular attention to a
13 managed care organization that provides behavioral health services
14 through a contract with a third party.

15 SECTION 2.18. Subchapter A, Chapter 533, Government Code,
16 is amended by adding Section 533.0061 to read as follows:

17 Sec. 533.0061. FREQUENCY OF PROVIDER CREDENTIALING. A
18 managed care organization that contracts with the commission to
19 provide health care services to Medicaid recipients under a managed
20 care plan issued by the organization shall formally recredential a
21 physician or other provider with the frequency required by the
22 single, consolidated Medicaid provider enrollment and
23 credentialing process, if that process is created under Section
24 531.02118. The required frequency of recredentialing may be less
25 frequent than once in any three-year period, notwithstanding any
26 other law.

27 SECTION 2.19. Subchapter A, Chapter 533, Government Code,

1 is amended by adding Section 533.0077 to read as follows:

2 Sec. 533.0077. STATEWIDE EFFORT TO PROMOTE MAINTENANCE OF
3 ELIGIBILITY. (a) The commission shall develop and implement a
4 statewide effort to assist recipients who satisfy Medicaid
5 eligibility requirements and who receive Medicaid services through
6 a managed care organization with maintaining eligibility and
7 avoiding lapses in coverage under the Medicaid program.

8 (b) As part of its effort under Subsection (a), the
9 commission shall:

10 (1) require each managed care organization providing
11 health care services to recipients to assist those recipients with
12 maintaining eligibility;

13 (2) if the commission determines it is cost-effective,
14 develop specific strategies for assisting recipients who receive
15 Supplemental Security Income (SSI) benefits under 42 U.S.C. Section
16 1381 et seq. with maintaining eligibility; and

17 (3) ensure information that is relevant to a
18 recipient's eligibility status is provided to the managed care
19 organization through which the recipient receives Medicaid
20 services.

21 SECTION 2.20. (a) Section 533.015, Government Code, is
22 amended to read as follows:

23 Sec. 533.015. COORDINATION OF EXTERNAL OVERSIGHT
24 ACTIVITIES. (a) To the extent possible, the commission shall
25 coordinate all external oversight activities to minimize
26 duplication of oversight of managed care plans under the state
27 Medicaid program and disruption of operations under those plans.

1 (b) The executive commissioner, after consulting with the
2 commission's office of inspector general, shall, by rule, define
3 the commission's and office's roles in and jurisdiction over, and
4 frequency of, audits of managed care organizations participating in
5 the Medicaid program that are conducted by the commission and the
6 commission's office of inspector general.

7 (c) In accordance with Section 531.102(q), the commission
8 shall share with the commission's office of inspector general, at
9 the request of the office, the results of any informal audit or
10 onsite visit that could inform that office's risk assessment when
11 determining whether to conduct, or the scope of, an audit of a
12 managed care organization participating in the Medicaid program.

13 (b) Not later than September 1, 2016, the executive
14 commissioner of the Health and Human Services Commission shall
15 adopt rules required by Section 533.015(b), Government Code, as
16 added by this article.

17 SECTION 2.21. Section 533.041(a), Government Code, is
18 amended to read as follows:

19 (a) The executive commissioner shall appoint a state
20 Medicaid managed care advisory committee. The advisory committee
21 consists of representatives of:

- 22 (1) hospitals;
- 23 (2) managed care organizations and participating
24 health care providers;
- 25 (3) primary care providers and specialty care
26 providers;
- 27 (4) state agencies;

1 (5) low-income recipients or consumer advocates
2 representing low-income recipients;

3 (6) recipients with disabilities, including
4 recipients with intellectual and developmental disabilities or
5 physical disabilities, or consumer advocates representing those
6 recipients;

7 (7) parents of children who are recipients;

8 (8) rural providers;

9 (9) advocates for children with special health care
10 needs;

11 (10) pediatric health care providers, including
12 specialty providers;

13 (11) long-term services and supports providers,
14 including nursing facility providers and direct service workers;

15 (12) obstetrical care providers;

16 (13) community-based organizations serving low-income
17 children and their families;

18 (14) community-based organizations engaged in
19 perinatal services and outreach;

20 (15) recipients who are 65 years of age or older;

21 (16) recipients with mental illness;

22 (17) nonphysician mental health providers
23 participating in the Medicaid managed care program; and

24 (18) entities with responsibilities for the delivery
25 of long-term services and supports or other Medicaid program
26 service delivery, including:

27 (A) independent living centers;

(B) area agencies on aging;

(C) aging and disability resource centers established under the Aging and Disability Resource Center initiative funded in part by the federal Administration on Aging and the Centers for Medicare and Medicaid Services; and

(D) community mental health and intellectual disability centers~~[, and~~

~~[(E) the NorthSTAR Behavioral Health Program provided under Chapter 534, Health and Safety Code].~~

SECTION 2.22. (a) Chapter 533, Government Code, is amended by adding Subchapter E to read as follows:

SUBCHAPTER E. PILOT PROGRAM TO INCREASE INCENTIVE-BASED PROVIDER PAYMENTS

Sec. 533.081. DEFINITION. In this subchapter, "pilot program" means the pilot program to increase incentive-based provider payments established under Section 533.082.

Sec. 533.082. PILOT PROGRAM TO INCREASE INCENTIVE-BASED PROVIDER PAYMENTS. With the assistance of the work group established under Section 533.083, the commission shall develop a pilot program to increase the use and effectiveness of incentive-based provider payments by managed care organizations providing services under the Medicaid managed care program. The pilot program must:

(1) be operated in one managed care service delivery area selected in accordance with Section 533.083(a)(1)(A);

(2) require all managed care organizations in the selected service delivery area to participate in the program; and

1 (3) pilot incentive-based provider payment structures
2 determined in accordance with Section 533.083(a)(2).

3 Sec. 533.083. PILOT PROGRAM DEVELOPMENT WORK GROUP. (a)
4 The executive commissioner shall establish a work group to assist
5 the commission with developing the pilot program required under
6 this subchapter. The work group shall assist the commission with:

7 (1) selecting:

8 (A) the managed care service delivery area in
9 which the pilot program will be implemented; and

10 (B) managed care programs to be included in the
11 pilot program;

12 (2) determining the types of incentive-based provider
13 payment structures to pilot and the services that most
14 appropriately fit into those payment structures; and

15 (3) determining a timeline for implementation of the
16 pilot program that requires implementation to begin not later than
17 January 1, 2017.

18 (b) The executive commissioner shall determine the number
19 of members of the work group and ensure that the work group consists
20 of representatives from:

21 (1) the commission;

22 (2) managed care organizations providing services
23 under the Medicaid managed care program; and

24 (3) professional associations composed of health care
25 providers.

26 (c) A member of the work group serves at the pleasure of the
27 executive commissioner and without compensation.

1 Sec. 533.084. ASSESSMENT AND IMPLEMENTATION OF PILOT
2 PROGRAM FINDINGS. Not later than September 1, 2018, and
3 notwithstanding any other law, the commission shall:

4 (1) based on the results of the pilot program,
5 identify which types of incentive-based provider payment
6 structures are most appropriate for statewide implementation and
7 the services that can be provided under those structures; and

8 (2) require that a managed care organization that has
9 contracted with the commission to provide health care services to
10 recipients implement the payment structures identified under
11 Subdivision (1).

12 Sec. 533.085. EXPIRATION. Sections 533.081, 533.082, and
13 533.083 and this section expire September 1, 2018.

14 (b) As soon as possible after the effective date of this
15 article, the executive commissioner of the Health and Human
16 Services Commission shall establish the work group and the
17 commission shall develop the pilot program required under
18 Subchapter E, Chapter 533, Government Code, as added by this
19 article.

20 (c) The Health and Human Services Commission, in a contract
21 between the commission and a managed care organization under
22 Chapter 533, Government Code, that is entered into or renewed on or
23 after September 1, 2018, shall require that the managed care
24 organization implement the incentive-based provider payment
25 structures identified by the commission under Section 533.084,
26 Government Code, as added by this article.

27 (d) The Health and Human Services Commission shall seek to

1 amend contracts entered into with managed care organizations under
2 Chapter 533, Government Code, before September 1, 2018, to require
3 that those managed care organizations implement the
4 incentive-based provider payment structures identified by the
5 commission under Section 533.084, Government Code, as added by this
6 article. To the extent of a conflict between that section and a
7 provision of a contract with a managed care organization entered
8 into before September 1, 2018, the contract provision prevails.

9 SECTION 2.23. Section 1001.080(b), Health and Safety Code,
10 is amended to read as follows:

11 (b) This section applies to health or mental health
12 benefits, services, or assistance provided by the department that
13 the department anticipates will be impacted by a health insurance
14 exchange as defined by Section 1001.081(a), including:

15 (1) community primary health care services provided
16 under Chapter 31;

17 (2) women's and children's health services provided
18 under Chapter 32;

19 (3) services for children with special health care
20 needs provided under Chapter 35;

21 (4) epilepsy program assistance provided under
22 Chapter 40;

23 (5) hemophilia program assistance provided under
24 Chapter 41;

25 (6) kidney health care services provided under Chapter
26 42;

27 (7) human immunodeficiency virus infection and

1 sexually transmitted disease prevention programs and services
2 provided under Chapter 85;

3 (8) immunization programs provided under Chapter 161;

4 (9) programs and services provided by the Rio Grande
5 State Center under Chapter 252;

6 (10) mental health services for adults provided under
7 Chapter 534;

8 (11) mental health services for children provided
9 under Chapter 534;

10 (12) ~~[the NorthSTAR Behavioral Health Program~~
11 ~~provided under Chapter 534,~~

12 ~~[(13)]~~ programs and services provided by community
13 mental health hospitals under Chapter 552;

14 (13) ~~[(14)]~~ programs and services provided by state
15 mental health hospitals under Chapter 552; and

16 (14) ~~[(15)]~~ any other health or mental health program
17 or service designated by the department.

18 SECTION 2.24. Section 1001.201(2), Health and Safety Code,
19 as added by Chapter 1306 (H.B. 3793), Acts of the 83rd Legislature,
20 Regular Session, 2013, is amended to read as follows:

21 (2) "Local mental health authority" has the meaning
22 assigned by Section 531.002 ~~[and includes the local behavioral~~
23 ~~health authority for the NorthSTAR Behavioral Health Program]~~.

24 ARTICLE 3. HEALTH AND HUMAN SERVICES SYSTEM ADVISORY ENTITIES

25 SECTION 3.01. Section 262.353(d), Family Code, is amended
26 to read as follows:

27 (d) Not later than September 30, 2014, the department and

1 the Department of State Health Services shall file a report with the
2 legislature [~~and the Council on Children and Families~~] on the
3 results of the study required by Subsection (a). The report must
4 include:

5 (1) each option to prevent relinquishment of parental
6 custody that was considered during the study;

7 (2) each option recommended for implementation, if
8 any;

9 (3) each option that is implemented using existing
10 resources;

11 (4) any policy or statutory change needed to implement
12 a recommended option;

13 (5) the fiscal impact of implementing each option, if
14 any;

15 (6) the estimated number of children and families that
16 may be affected by the implementation of each option; and

17 (7) any other significant information relating to the
18 study.

19 SECTION 3.02. (a) Section 531.012, Government Code, is
20 amended to read as follows:

21 Sec. 531.012. ADVISORY COMMITTEES. (a) The executive
22 commissioner shall establish and maintain [~~may appoint~~] advisory
23 committees to consider issues and solicit public input across all
24 major areas of the health and human services system, including
25 relating to the following issues:

26 (1) Medicaid and other social services programs;

27 (2) managed care under Medicaid and the child health

plan program;

(3) health care quality initiatives;

(4) aging;

(5) persons with disabilities, including persons with autism;

(6) rehabilitation, including for persons with brain injuries;

(7) children;

(8) public health;

(9) behavioral health;

(10) regulatory matters;

(11) protective services;

(12) prevention efforts; and

(13) faith- and community-based initiatives.

(b) Chapter 2110 applies to an advisory committee established under this section.

(c) The executive commissioner shall adopt rules:

(1) in compliance with Chapter 2110 to govern an advisory committee's purpose, tasks, reporting requirements, and date of abolition; and

(2) related to an advisory committee's:

(A) size and quorum requirements;

(B) membership, including:

(i) qualifications to be a member, including any experience requirements;

(ii) required geographic representation;

(iii) appointment procedures; and

1 (iv) terms of members; and

2 (C) duty to comply with the requirements for open
3 meetings under Chapter 551.

4 (d) An advisory committee established under this section
5 shall report any recommendations to the executive commissioner at a
6 meeting of the Health and Human Services Commission Executive
7 Council established under Section 531.0051 [as needed].

8 (b) Not later than March 1, 2016, the executive commissioner
9 of the Health and Human Services Commission shall adopt rules under
10 Section 531.012, Government Code, as amended by this article.

11 SECTION 3.03. Subchapter A, Chapter 531, Government Code,
12 is amended by adding Section 531.0121 to read as follows:

13 Sec. 531.0121. PUBLIC ACCESS TO ADVISORY COMMITTEE
14 MEETINGS. (a) This section applies to an advisory committee
15 established under Section 531.012.

16 (b) The commission shall create a master calendar that
17 includes all advisory committee meetings across the health and
18 human services system.

19 (c) The commission shall make available on the commission's
20 Internet website:

21 (1) the master calendar;
22 (2) all meeting materials for an advisory committee
23 meeting; and

24 (3) streaming live video of each advisory committee
25 meeting.

26 (d) The commission shall provide Internet access in each
27 room used for a meeting that appears on the master calendar.

SECTION 3.04. Section 531.0216(b), Government Code, is amended to read as follows:

(b) In developing the system, the executive commissioner by rule shall:

(1) review programs and pilot projects in other states to determine the most effective method for reimbursement;

(2) establish billing codes and a fee schedule for services;

(3) provide for an approval process before a provider can receive reimbursement for services;

(4) consult with the Department of State Health Services ~~[and the telemedicine and telehealth advisory committee]~~ to establish procedures to:

(A) identify clinical evidence supporting delivery of health care services using a telecommunications system; and

(B) annually review health care services, considering new clinical findings, to determine whether reimbursement for particular services should be denied or authorized;

(5) establish a separate provider identifier for telemedicine medical services providers, telehealth services providers, and home telemonitoring services providers; and

(6) establish a separate modifier for telemedicine medical services, telehealth services, and home telemonitoring services eligible for reimbursement.

SECTION 3.05. Section 531.02443(e), Government Code, is

1 amended to read as follows:

2 (e) The department, with the advice and assistance of [~~the~~
3 ~~interagency task force on ensuring appropriate care settings for~~
4 ~~persons with disabilities and~~] representatives of family members or
5 legally authorized representatives of adult residents, persons
6 with an intellectual disability [~~mental retardation~~], state
7 supported living centers [~~schools~~], and local intellectual and
8 developmental disability [~~mental retardation~~] authorities, shall:

9 (1) develop an effective community living options
10 information process;

11 (2) create uniform procedures for the implementation
12 of the community living options information process; and

13 (3) minimize any potential conflict of interest
14 regarding the community living options information process between
15 a state supported living center [~~school~~] and an adult resident, an
16 adult resident's legally authorized representative, or a local
17 intellectual and developmental disability [~~mental retardation~~]
18 authority.

19 SECTION 3.06. The heading to Section 531.0273, Government
20 Code, is amended to read as follows:

21 Sec. 531.0273. INFORMATION RESOURCES PLANNING AND
22 MANAGEMENT [~~, ADVISORY COMMITTEE~~].

23 SECTION 3.07. Section 531.051(c), Government Code, is
24 amended to read as follows:

25 (c) In adopting rules for the consumer direction models, the
26 executive commissioner [~~commission~~] shall:

27 (1) [~~with assistance from the work group established~~

1 ~~under Section 531.052,~~] determine which services are appropriate
2 and suitable for delivery through consumer direction;

3 (2) ensure that each consumer direction model is
4 designed to comply with applicable federal and state laws;

5 (3) maintain procedures to ensure that a potential
6 consumer or the consumer's legally authorized representative has
7 adequate and appropriate information, including the
8 responsibilities of a consumer or representative under each service
9 delivery option, to make an informed choice among the types of
10 consumer direction models;

11 (4) require each consumer or the consumer's legally
12 authorized representative to sign a statement acknowledging
13 receipt of the information required by Subdivision (3);

14 (5) maintain procedures to monitor delivery of
15 services through consumer direction to ensure:

16 (A) adherence to existing applicable program
17 standards;

18 (B) appropriate use of funds; and

19 (C) consumer satisfaction with the delivery of
20 services;

21 (6) ensure that authorized program services that are
22 not being delivered to a consumer through consumer direction are
23 provided by a provider agency chosen by the consumer or the
24 consumer's legally authorized representative; and

25 (7) ~~[work in conjunction with the work group~~
26 ~~established under Section 531.052 to]~~ set a timetable to complete
27 the implementation of the consumer direction models.

SECTION 3.08. Sections 531.057(b) and (c), Government Code, are amended to read as follows:

(b) The executive commissioner shall ~~[coordinate with the advisory committee established under Section 531.0571 to]~~ develop a volunteer advocate program for the elderly receiving services from or under the direction of the commission or a health and human services agency.

(c) In developing the program, the executive commissioner ~~[and the advisory committee]~~ shall adhere to the following principles:

(1) the intent of the program is to evaluate, through operation of pilot projects, whether providing the services of a trained volunteer advocate selected by an elderly individual or the individual's designated caregiver is effective in achieving the following goals:

(A) extend the time the elderly individual can remain in an appropriate home setting;

(B) maximize the efficiency of services delivered to the elderly individual by focusing on services needed to sustain family caregiving;

(C) protect the elderly individual by providing a knowledgeable third party to review the quality of care and services delivered to the individual and the care options available to the individual and the individual's family; and

(D) facilitate communication between the elderly individual or the individual's designated caregiver and providers of health care and other services;

(2) a volunteer advocate curriculum must be established that incorporates best practices as determined and recognized by a professional organization recognized in the elder health care field;

(3) the use of pro bono assistance from qualified professionals must be maximized in developing the volunteer advocate curriculum and designing the program;

(4) trainers must be certified on the ability to deliver training;

(5) training shall be offered through multiple community-based organizations; and

(6) participation in the program is voluntary and must be initiated by the elderly individual or the individual's designated caregiver.

SECTION 3.09. Section 531.067, Government Code, is amended to read as follows:

Sec. 531.067. PROGRAM TO IMPROVE AND MONITOR CERTAIN OUTCOMES OF RECIPIENTS UNDER CHILD HEALTH PLAN AND MEDICAID PROGRAMS ~~[PUBLIC ASSISTANCE HEALTH BENEFIT REVIEW AND DESIGN COMMITTEE]~~. The ~~[(a) The commission shall appoint a Public Assistance Health Benefit Review and Design Committee. The committee consists of nine representatives of health care providers participating in the Medicaid program or the child health plan program, or both. The committee membership must include at least three representatives from each program.]~~

~~[(b) The commissioner shall designate one member to serve as presiding officer for a term of two years.]~~

1 ~~[(c) The committee shall meet at the call of the presiding~~
2 ~~officer.~~

3 ~~[(d) The committee shall review and provide recommendations~~
4 ~~to the commission regarding health benefits and coverages provided~~
5 ~~under the state Medicaid program, the child health plan program,~~
6 ~~and any other income-based health care program administered by the~~
7 ~~commission or a health and human services agency. In performing its~~
8 ~~duties under this subsection, the committee must:~~

9 ~~[(1) review benefits provided under each of the~~
10 ~~programs; and~~

11 ~~[(2) review procedures for addressing high~~
12 ~~utilization of benefits by recipients.~~

13 ~~[(e) The commission shall provide administrative support~~
14 ~~and resources as necessary for the committee to perform its duties~~
15 ~~under this section.~~

16 ~~[(f) Section 2110.008 does not apply to the committee.~~

17 ~~[(g) In performing the duties under this section, the]~~
18 commission may design and implement a program to improve and
19 monitor clinical and functional outcomes of a recipient of services
20 under the state child health plan or medical assistance program.
21 The program may use financial, clinical, and other criteria based
22 on pharmacy, medical services, and other claims data related to the
23 child health plan or the state medical assistance program. ~~[The~~
24 ~~commission must report to the committee on the fiscal impact,~~
25 ~~including any savings associated with the strategies utilized under~~
26 ~~this section.]~~

27 SECTION 3.10. (a) Section 531.0691, Government Code, is

1 redesignated as Section 531.0735, Government Code, and amended to
2 read as follows:

3 Sec. 531.0735 [~~531.0691~~]. MEDICAID DRUG UTILIZATION REVIEW
4 PROGRAM: DRUG USE REVIEWS AND ANNUAL REPORT. (a) In this section:

5 (1) "Medicaid Drug Utilization Review Program" means
6 the program operated by the vendor drug program to improve the
7 quality of pharmaceutical care under the Medicaid program.

8 (2) "Prospective drug use review" means the review of
9 a patient's drug therapy and prescription drug order or medication
10 order before dispensing or distributing a drug to the patient.

11 (3) "Retrospective drug use review" means the review
12 of prescription drug claims data to identify patterns of
13 prescribing.

14 (b) The commission shall provide for an increase in the
15 number and types of retrospective drug use reviews performed each
16 year under the Medicaid Drug Utilization Review Program, in
17 comparison to the number and types of reviews performed in the state
18 fiscal year ending August 31, 2009.

19 (c) In determining the number and types of drug use reviews
20 to be performed, the commission shall:

21 (1) allow for the repeat of retrospective drug use
22 reviews that address ongoing drug therapy problems and that, in
23 previous years, improved client outcomes and reduced Medicaid
24 spending;

25 (2) consider implementing disease-specific
26 retrospective drug use reviews that address ongoing drug therapy
27 problems in this state and that reduced Medicaid prescription drug

1 use expenditures in other states; and

2 (3) regularly examine Medicaid prescription drug
3 claims data to identify occurrences of potential drug therapy
4 problems that may be addressed by repeating successful
5 retrospective drug use reviews performed in this state and other
6 states.

7 (d) In addition to any other information required by federal
8 law, the commission shall include the following information in the
9 annual report regarding the Medicaid Drug Utilization Review
10 Program:

11 (1) a detailed description of the program's
12 activities; and

13 (2) estimates of cost savings anticipated to result
14 from the program's performance of prospective and retrospective
15 drug use reviews.

16 (e) The cost-saving estimates for prospective drug use
17 reviews under Subsection (d) must include savings attributed to
18 drug use reviews performed through the vendor drug program's
19 electronic claims processing system and clinical edits screened
20 through the prior authorization system implemented under Section
21 [531.073](#).

22 (f) The commission shall post the annual report regarding
23 the Medicaid Drug Utilization Review Program on the commission's
24 website.

25 (b) Subchapter B, Chapter 531, Government Code, is amended
26 by adding Section 531.0736 to read as follows:

27 Sec. 531.0736. DRUG UTILIZATION REVIEW BOARD. (a) In this

1 section, "board" means the Drug Utilization Review Board.

2 (b) In addition to performing any other duties required by
3 federal law, the board shall:

4 (1) develop and submit to the commission
5 recommendations for preferred drug lists adopted by the commission
6 under Section 531.072;

7 (2) suggest to the commission restrictions or clinical
8 edits on prescription drugs;

9 (3) recommend to the commission educational
10 interventions for Medicaid providers;

11 (4) review drug utilization across the Medicaid
12 program; and

13 (5) perform other duties that may be specified by law
14 and otherwise make recommendations to the commission.

15 (c) The executive commissioner shall determine the
16 composition of the board, which must:

17 (1) comply with applicable federal law, including 42
18 C.F.R. Section 456.716; and

19 (2) include two representatives of managed care
20 organizations as nonvoting members, one of whom must be a physician
21 and one of whom must be a pharmacist.

22 (d) Members appointed under Subsection (c)(2) may attend
23 quarterly and other regularly scheduled meetings, but may not:

24 (1) attend executive sessions; or

25 (2) otherwise access confidential drug pricing
26 information.

27 (e) Members of the board serve staggered four-year terms.

1 (f) The voting members of the board shall elect from among
2 the voting members a presiding officer.

3 (g) The board shall hold a public meeting quarterly at the
4 call of the presiding officer and shall permit public comment
5 before voting on any changes in the preferred drug lists. The board
6 shall hold public meetings at other times at the call of the
7 presiding officer. Minutes of each meeting shall be made available
8 to the public not later than the 10th business day after the date
9 the minutes are approved. The board may meet in executive session
10 to discuss confidential information as described by Subsection (i).

11 (h) In developing its recommendations for the preferred
12 drug lists, the board shall consider the clinical efficacy, safety,
13 and cost-effectiveness of and any program benefit associated with a
14 product.

15 (i) The executive commissioner shall adopt rules governing
16 the operation of the board, including rules governing the
17 procedures used by the board for providing notice of a meeting and
18 rules prohibiting the board from discussing confidential
19 information described by Section 531.071 in a public meeting. The
20 board shall comply with the rules adopted under this subsection and
21 Subsection (j).

22 (j) In addition to the rules under Subsection (i), the
23 executive commissioner by rule shall require the board or the
24 board's designee to present a summary of any clinical efficacy and
25 safety information or analyses regarding a drug under consideration
26 for a preferred drug list that is provided to the board by a private
27 entity that has contracted with the commission to provide the

1 information. The board or the board's designee shall provide the
2 summary in electronic form before the public meeting at which
3 consideration of the drug occurs. Confidential information
4 described by Section 531.071 must be omitted from the summary. The
5 summary must be posted on the commission's Internet website.

6 (k) To the extent feasible, the board shall review all drug
7 classes included in the preferred drug lists adopted under Section
8 531.072 at least once every 12 months and may recommend inclusions
9 to and exclusions from the lists to ensure that the lists provide
10 for cost-effective medically appropriate drug therapies for
11 Medicaid recipients, children receiving health benefits coverage
12 under the child health plan program, and any other affected
13 individuals.

14 (l) The commission shall provide administrative support and
15 resources as necessary for the board to perform its duties.

16 (m) Chapter 2110 does not apply to the board.

17 (n) The commission or the commission's agent shall publicly
18 disclose, immediately after the board's deliberations conclude,
19 each specific drug recommended for or against preferred drug list
20 status for each drug class included in the preferred drug list for
21 the Medicaid vendor drug program. The disclosure must be posted on
22 the commission's Internet website not later than the 10th business
23 day after the date of conclusion of board deliberations that result
24 in recommendations made to the executive commissioner regarding the
25 placement of drugs on the preferred drug list. The public
26 disclosure must include:

27 (1) the general basis for the recommendation for each

1 drug class; and

2 (2) for each recommendation, whether a supplemental
3 rebate agreement or a program benefit agreement was reached under
4 Section 531.070.

5 (c) Section 531.0692, Government Code, is redesignated as
6 Section 531.0737, Government Code, and amended to read as follows:

7 Sec. 531.0737 [531.0692]. [MEDICAID] DRUG UTILIZATION
8 REVIEW BOARD: CONFLICTS OF INTEREST. (a) A member of the [~~board of~~
9 ~~the Medicaid~~] Drug Utilization Review Board [~~Program~~] may not have
10 a contractual relationship, ownership interest, or other conflict
11 of interest with a pharmaceutical manufacturer or labeler or with
12 an entity engaged by the commission to assist in the administration
13 of the Medicaid Drug Utilization Review Program.

14 (b) The executive commissioner may implement this section
15 by adopting rules that identify prohibited relationships and
16 conflicts or requiring the board to develop a conflict-of-interest
17 policy that applies to the board.

18 (d) Sections 531.072(c) and (e), Government Code, are
19 amended to read as follows:

20 (c) In making a decision regarding the placement of a drug
21 on each of the preferred drug lists, the commission shall consider:

22 (1) the recommendations of the Drug Utilization Review
23 Board [~~Pharmaceutical and Therapeutics Committee established~~]
24 under Section 531.0736 [531.074];

25 (2) the clinical efficacy of the drug;

26 (3) the price of competing drugs after deducting any
27 federal and state rebate amounts; and

1 (4) program benefit offerings solely or in conjunction
2 with rebates and other pricing information.

3 (e) In this subsection, "labeler" and "manufacturer" have
4 the meanings assigned by Section 531.070. The commission shall
5 ensure that:

6 (1) a manufacturer or labeler may submit written
7 evidence supporting the inclusion of a drug on the preferred drug
8 lists before a supplemental agreement is reached with the
9 commission; and

10 (2) any drug that has been approved or has had any of
11 its particular uses approved by the United States Food and Drug
12 Administration under a priority review classification will be
13 reviewed by the Drug Utilization Review Board [~~Pharmaceutical and~~
14 ~~Therapeutics Committee~~] at the next regularly scheduled meeting of
15 the board [~~committee~~]. On receiving notice from a manufacturer or
16 labeler of the availability of a new product, the commission, to the
17 extent possible, shall schedule a review for the product at the next
18 regularly scheduled meeting of the board [~~committee~~].

19 (e) Section 531.073(b), Government Code, is amended to read
20 as follows:

21 (b) The commission shall establish procedures for the prior
22 authorization requirement under the Medicaid vendor drug program to
23 ensure that the requirements of 42 U.S.C. Section 1396r-8(d)(5) and
24 its subsequent amendments are met. Specifically, the procedures
25 must ensure that:

26 (1) a prior authorization requirement is not imposed
27 for a drug before the drug has been considered at a meeting of the

1 Drug Utilization Review Board [~~Pharmaceutical and Therapeutics~~
2 ~~Committee established~~] under Section 531.0736 [531.074];

3 (2) there will be a response to a request for prior
4 authorization by telephone or other telecommunications device
5 within 24 hours after receipt of a request for prior authorization;
6 and

7 (3) a 72-hour supply of the drug prescribed will be
8 provided in an emergency or if the commission does not provide a
9 response within the time required by Subdivision (2).

10 (f) Section 531.0741, Government Code, is amended to read as
11 follows:

12 Sec. 531.0741. PUBLICATION OF INFORMATION REGARDING
13 COMMISSION DECISIONS ON PREFERRED DRUG LIST PLACEMENT. The
14 commission shall publish on the commission's Internet website any
15 decisions on preferred drug list placement, including:

16 (1) a list of drugs reviewed and the commission's
17 decision for or against placement on a preferred drug list of each
18 drug reviewed;

19 (2) for each recommendation, whether a supplemental
20 rebate agreement or a program benefit agreement was reached under
21 Section 531.070; and

22 (3) the rationale for any departure from a
23 recommendation of the Drug Utilization Review Board
24 [~~pharmaceutical and therapeutics committee established~~] under
25 Section 531.0736 [531.074].

26 (g) Section 531.074, Government Code, is repealed.

27 (h) The term of a member serving on the Medicaid Drug

1 Utilization Review Board on September 1, 2015, expires on that
 2 date. Not later than September 1, 2015, the executive commissioner
 3 of the Health and Human Services Commission shall appoint members
 4 to the Drug Utilization Review Board in accordance with Section
 5 531.0736, Government Code, as added by this article, for terms
 6 beginning September 2, 2015. In making the initial appointments
 7 and notwithstanding Section 531.0736(e), Government Code, as added
 8 by this article, the executive commissioner shall designate as
 9 close to one-half as possible of the members to serve for terms
 10 expiring September 1, 2017, and the remaining members to serve for
 11 terms expiring September 1, 2019.

12 (i) Not later than January 1, 2016, the executive
 13 commissioner of the Health and Human Services Commission shall
 14 adopt or amend rules as necessary to reflect the changes in law made
 15 to the Drug Utilization Review Board under Section 531.0736,
 16 Government Code, as added by this article, including rules that
 17 reflect the changes to the board's functions and composition.

18 SECTION 3.11. The heading to Subchapter D, Chapter 531,
 19 Government Code, is amended to read as follows:

20 SUBCHAPTER D. PLAN TO SUPPORT GUARDIANSHIPS [~~GUARDIANSHIP ADVISORY~~
 21 ~~BOARD~~]

22 SECTION 3.12. Section 531.124, Government Code, is amended
 23 to read as follows:

24 Sec. 531.124. COMMISSION DUTIES. The [~~(a) With the advice~~
 25 ~~of the advisory board, the~~] commission shall develop and, subject
 26 to appropriations, implement a plan to:

27 (1) ensure that each incapacitated individual in this

1 state who needs a guardianship or another less restrictive type of
2 assistance to make decisions concerning the incapacitated
3 individual's own welfare and financial affairs receives that
4 assistance; and

5 (2) foster the establishment and growth of local
6 volunteer guardianship programs.

7 ~~[(b) The advisory board shall biennially review and comment~~
8 ~~on the minimum standards adopted under Section 111.041 and the plan~~
9 ~~implemented under Subsection (a) and shall include its conclusions~~
10 ~~in the report submitted under Section 531.1235.]~~

11 SECTION 3.13. Section 531.159(f), Government Code, is
12 amended to read as follows:

13 (f) The executive commissioner ~~[commission]~~ by rule shall
14 develop procedures by which to conduct the reviews required by
15 Subsections (c), (d), and (e). ~~[In developing the procedures, the~~
16 ~~commission may seek input from the work group on children's~~
17 ~~long-term services, health services, and mental health services~~
18 ~~established under Section 22.035, Human Resources Code.]~~

19 SECTION 3.14. Section 531.551(a), Government Code, is
20 amended to read as follows:

21 (a) The executive commissioner shall adopt rules providing
22 for:

23 (1) a standard definition of "uncompensated hospital
24 care";

25 (2) a methodology to be used by hospitals in this state
26 to compute the cost of that care that incorporates a ~~[the]~~ standard
27 set of adjustments to a hospital's initial computation of the cost

1 of uncompensated hospital care that account for all funding streams
2 that:

3 (A) are not patient-specific; and
4 (B) are used to offset the hospital's initially
5 computed amount of uncompensated care [~~described by Section~~
6 ~~531.552(g)(4)]; and~~

7 (3) procedures to be used by those hospitals to report
8 the cost of that care to the commission and to analyze that cost.

9 SECTION 3.15. Section 531.907(a), Government Code, is
10 amended to read as follows:

11 (a) Based on [~~the recommendations of the advisory committee~~
12 ~~established under Section 531.904 and~~] feedback provided by
13 interested parties, the commission in stage two of implementing the
14 health information exchange system may expand the system by:

15 (1) providing an electronic health record for each
16 child enrolled in the child health plan program;

17 (2) including state laboratory results information in
18 an electronic health record, including the results of newborn
19 screenings and tests conducted under the Texas Health Steps
20 program, based on the system developed for the health passport
21 under Section 266.006, Family Code;

22 (3) improving data-gathering capabilities for an
23 electronic health record so that the record may include basic
24 health and clinical information in addition to available claims
25 information, as determined by the executive commissioner;

26 (4) using evidence-based technology tools to create a
27 unique health profile to alert health care providers regarding the

1 need for additional care, education, counseling, or health
2 management activities for specific patients; and

3 (5) continuing to enhance the electronic health record
4 created under Section 531.905 as technology becomes available and
5 interoperability capabilities improve.

6 SECTION 3.16. Section 531.909, Government Code, is amended
7 to read as follows:

8 Sec. 531.909. INCENTIVES. The commission [~~and the advisory~~
9 ~~committee established under Section 531.904~~] shall develop
10 strategies to encourage health care providers to use the health
11 information exchange system, including incentives, education, and
12 outreach tools to increase usage.

13 SECTION 3.17. Section 533.0025(a), Government Code, is
14 amended to read as follows:

15 (a) In this section and Sections 533.00251, 533.002515, and
16 [~~533.00252,~~] 533.00253, [~~and 533.00254,~~] "medical assistance" has
17 the meaning assigned by Section 32.003, Human Resources Code.

18 SECTION 3.18. Section 533.00251(c), Government Code, is
19 amended to read as follows:

20 (c) Subject to Section 533.0025 and notwithstanding any
21 other law, the commission [~~, in consultation with the advisory~~
22 ~~committee,~~] shall provide benefits under the medical assistance
23 program to recipients who reside in nursing facilities through the
24 STAR + PLUS Medicaid managed care program. In implementing this
25 subsection, the commission shall ensure:

26 (1) that the commission is responsible for setting the
27 minimum reimbursement rate paid to a nursing facility under the

1 managed care program, including the staff rate enhancement paid to
2 a nursing facility that qualifies for the enhancement;

3 (2) that a nursing facility is paid not later than the
4 10th day after the date the facility submits a clean claim;

5 (3) the appropriate utilization of services
6 consistent with criteria adopted by the commission;

7 (4) a reduction in the incidence of potentially
8 preventable events and unnecessary institutionalizations;

9 (5) that a managed care organization providing
10 services under the managed care program provides discharge
11 planning, transitional care, and other education programs to
12 physicians and hospitals regarding all available long-term care
13 settings;

14 (6) that a managed care organization providing
15 services under the managed care program:

16 (A) assists in collecting applied income from
17 recipients; and

18 (B) provides payment incentives to nursing
19 facility providers that reward reductions in preventable acute care
20 costs and encourage transformative efforts in the delivery of
21 nursing facility services, including efforts to promote a
22 resident-centered care culture through facility design and
23 services provided;

24 (7) the establishment of a portal that is in
25 compliance with state and federal regulations, including standard
26 coding requirements, through which nursing facility providers
27 participating in the STAR + PLUS Medicaid managed care program may

1 submit claims to any participating managed care organization;

2 (8) that rules and procedures relating to the
3 certification and decertification of nursing facility beds under
4 the medical assistance program are not affected; and

5 (9) that a managed care organization providing
6 services under the managed care program, to the greatest extent
7 possible, offers nursing facility providers access to:

8 (A) acute care professionals; and

9 (B) telemedicine, when feasible and in
10 accordance with state law, including rules adopted by the Texas
11 Medical Board.

12 SECTION 3.19. Section 533.00253(b), Government Code, is
13 amended to read as follows:

14 (b) Subject to Section 533.0025, the commission shall~~[, in~~
15 ~~consultation with the advisory committee and the Children's Policy~~
16 ~~Council established under Section 22.035, Human Resources Code,]~~
17 establish a mandatory STAR Kids capitated managed care program
18 tailored to provide medical assistance benefits to children with
19 disabilities. The managed care program developed under this
20 section must:

21 (1) provide medical assistance benefits that are
22 customized to meet the health care needs of recipients under the
23 program through a defined system of care;

24 (2) better coordinate care of recipients under the
25 program;

26 (3) improve the health outcomes of recipients;

27 (4) improve recipients' access to health care

1 services;

2 (5) achieve cost containment and cost efficiency;

3 (6) reduce the administrative complexity of
4 delivering medical assistance benefits;

5 (7) reduce the incidence of unnecessary
6 institutionalizations and potentially preventable events by
7 ensuring the availability of appropriate services and care
8 management;

9 (8) require a health home; and

10 (9) coordinate and collaborate with long-term care
11 service providers and long-term care management providers, if
12 recipients are receiving long-term services and supports outside of
13 the managed care organization.

14 SECTION 3.20. Section 533.00256(a), Government Code, is
15 amended to read as follows:

16 (a) In consultation with [~~the Medicaid and CHIP~~
17 ~~Quality-Based Payment Advisory Committee established under Section~~
18 ~~536.002 and other~~] appropriate stakeholders with an interest in the
19 provision of acute care services and long-term services and
20 supports under the Medicaid managed care program, the commission
21 shall:

22 (1) establish a clinical improvement program to
23 identify goals designed to improve quality of care and care
24 management and to reduce potentially preventable events, as defined
25 by Section 536.001; and

26 (2) require managed care organizations to develop and
27 implement collaborative program improvement strategies to address

1 the goals.

2 SECTION 3.21. Section 534.052, Government Code, is amended
3 to read as follows:

4 Sec. 534.052. IMPLEMENTATION OF SYSTEM REDESIGN. The
5 commission and department shall [~~, in consultation with the~~
6 ~~advisory committee,~~] jointly implement the acute care services and
7 long-term services and supports system for individuals with
8 intellectual and developmental disabilities in the manner and in
9 the stages described in this chapter.

10 SECTION 3.22. Section 534.104(d), Government Code, is
11 amended to read as follows:

12 (d) The department [~~, in consultation with the advisory~~
13 ~~committee,~~] shall evaluate each submitted managed care strategy
14 proposal and determine whether:

15 (1) the proposed strategy satisfies the requirements
16 of this section; and

17 (2) the private services provider that submitted the
18 proposal has a demonstrated ability to provide the long-term
19 services and supports appropriate to the individuals who will
20 receive services through the pilot program based on the proposed
21 strategy, if implemented.

22 SECTION 3.23. Section 534.105, Government Code, is amended
23 to read as follows:

24 Sec. 534.105. PILOT PROGRAM: MEASURABLE GOALS. (a) The
25 department [~~, in consultation with the advisory committee,~~] shall
26 identify measurable goals to be achieved by each pilot program
27 implemented under this subchapter. The identified goals must:

1 (1) align with information that will be collected
2 under Section 534.108(a); and

3 (2) be designed to improve the quality of outcomes for
4 individuals receiving services through the pilot program.

5 (b) The department [~~, in consultation with the advisory~~
6 ~~committee,~~] shall propose specific strategies for achieving the
7 identified goals. A proposed strategy may be evidence-based if
8 there is an evidence-based strategy available for meeting the pilot
9 program's goals.

10 SECTION 3.24. Section 534.108(d), Government Code, is
11 amended to read as follows:

12 (d) On or before December 1, 2016, and December 1, 2017, the
13 commission and the department [~~, in consultation with the advisory~~
14 ~~committee,~~] shall review and evaluate the progress and outcomes of
15 each pilot program implemented under this subchapter and submit a
16 report to the legislature during the operation of the pilot
17 programs. Each report must include recommendations for program
18 improvement and continued implementation.

19 SECTION 3.25. Section 534.201(d), Government Code, is
20 amended to read as follows:

21 (d) In implementing the transition described by Subsection
22 (b), the commission shall develop a process to receive and evaluate
23 input from interested statewide stakeholders [~~that is in addition~~
24 ~~to the input provided by the advisory committee~~].

25 SECTION 3.26. Section 534.202(d), Government Code, is
26 amended to read as follows:

27 (d) In implementing the transition described by Subsection

(b), the commission shall develop a process to receive and evaluate input from interested statewide stakeholders ~~[that is in addition to the input provided by the advisory committee]~~.

SECTION 3.27. Section 535.051(c), Government Code, is amended to read as follows:

(c) The commissioner of higher education~~[, in consultation with the presiding officer of the interagency coordinating group,]~~ shall designate one employee from an institution of higher education, as that term is defined under Section 61.003, Education Code, to serve as a liaison for faith- and community-based organizations.

SECTION 3.28. Section 535.104(a), Government Code, is amended to read as follows:

(a) The commission shall:

(1) contract with the State Commission on National and Community Service to administer funds appropriated from the account in a manner that:

(A) consolidates the capacity of and strengthens national service and community and faith- and community-based initiatives; and

(B) leverages public and private funds to benefit this state;

(2) develop a competitive process to be used in awarding grants from account funds that is consistent with state law and includes objective selection criteria;

(3) oversee the delivery of training and other assistance activities under this subchapter;

1 (4) develop criteria limiting awards of grants under
2 Section 535.105(1)(A) to small and medium-sized faith- and
3 community-based organizations that provide charitable services to
4 persons in this state;

5 (5) establish general state priorities for the
6 account;

7 (6) establish and monitor performance and outcome
8 measures for persons to whom grants are awarded under this
9 subchapter; and

10 (7) establish policies and procedures to ensure that
11 any money appropriated from the account to the commission that is
12 allocated to build the capacity of a faith-based organization or
13 for a faith-based initiative [~~including money allocated for the~~
14 ~~establishment of the advisory committee under Section 535.108,~~] is
15 not used to advance a sectarian purpose or to engage in any form of
16 proselytization.

17 SECTION 3.29. Section 535.106(b), Government Code, is
18 amended to read as follows:

19 (b) If awarded a contract or grant under Section 535.104,
20 the State Commission on National and Community Service must provide
21 to the commission periodic reports on a schedule determined by the
22 executive commissioner. The schedule of periodic reports must
23 include an annual report that includes:

24 (1) a specific accounting with respect to the use by
25 that entity of money appropriated from the account, including the
26 names of persons to whom grants have been awarded and the purposes
27 of those grants; and

1 (2) a summary of the efforts of the faith- and
2 community-based liaisons designated under Section 535.051 to
3 comply with the duties imposed by and the purposes of Section
4 ~~[Sections]~~ 535.052 ~~[and 535.053]~~.

5 SECTION 3.30. Section 536.001(20), Government Code, is
6 amended to read as follows:

7 (20) "Potentially preventable readmission" means a
8 return hospitalization of a person within a period specified by the
9 commission that may have resulted from deficiencies in the care or
10 treatment provided to the person during a previous hospital stay or
11 from deficiencies in post-hospital discharge follow-up. The term
12 does not include a hospital readmission necessitated by the
13 occurrence of unrelated events after the discharge. The term
14 includes the readmission of a person to a hospital for:

15 (A) the same condition or procedure for which the
16 person was previously admitted;

17 (B) an infection or other complication resulting
18 from care previously provided;

19 (C) a condition or procedure that indicates that
20 a surgical intervention performed during a previous admission was
21 unsuccessful in achieving the anticipated outcome; or

22 (D) another condition or procedure of a similar
23 nature, as determined by the executive commissioner ~~[after~~
24 ~~consulting with the advisory committee]~~.

25 SECTION 3.31. Section 536.003(a), Government Code, is
26 amended to read as follows:

27 (a) The commission ~~[, in consultation with the advisory~~

1 ~~committee,~~] shall develop quality-based outcome and process
2 measures that promote the provision of efficient, quality health
3 care and that can be used in the child health plan and Medicaid
4 programs to implement quality-based payments for acute care
5 services and long-term services and supports across all delivery
6 models and payment systems, including fee-for-service and managed
7 care payment systems. Subject to Subsection (a-1), the
8 commission, in developing outcome and process measures under this
9 section, must include measures that are based on potentially
10 preventable events and that advance quality improvement and
11 innovation. The commission may change measures developed:

12 (1) to promote continuous system reform, improved
13 quality, and reduced costs; and

14 (2) to account for managed care organizations added to
15 a service area.

16 SECTION 3.32. Section 536.004(a), Government Code, is
17 amended to read as follows:

18 (a) Using quality-based outcome and process measures
19 developed under Section 536.003 and subject to this section, the
20 commission, after consulting with ~~[the advisory committee and~~
21 ~~other]~~ appropriate stakeholders with an interest in the provision
22 of acute care and long-term services and supports under the child
23 health plan and Medicaid programs, shall develop quality-based
24 payment systems, and require managed care organizations to develop
25 quality-based payment systems, for compensating a physician or
26 other health care provider participating in the child health plan
27 or Medicaid program that:

- 1 (1) align payment incentives with high-quality,
2 cost-effective health care;
- 3 (2) reward the use of evidence-based best practices;
- 4 (3) promote the coordination of health care;
- 5 (4) encourage appropriate physician and other health
6 care provider collaboration;
- 7 (5) promote effective health care delivery models; and
- 8 (6) take into account the specific needs of the child
9 health plan program enrollee and Medicaid recipient populations.

10 SECTION 3.33. Section 536.006(a), Government Code, is
11 amended to read as follows:

12 (a) The commission [~~and the advisory committee~~] shall:

13 (1) ensure transparency in the development and
14 establishment of:

15 (A) quality-based payment and reimbursement
16 systems under Section 536.004 and Subchapters B, C, and D,
17 including the development of outcome and process measures under
18 Section 536.003; and

19 (B) quality-based payment initiatives under
20 Subchapter E, including the development of quality of care and
21 cost-efficiency benchmarks under Section 536.204(a) and efficiency
22 performance standards under Section 536.204(b);

23 (2) develop guidelines establishing procedures for
24 providing notice and information to, and receiving input from,
25 managed care organizations, health care providers, including
26 physicians and experts in the various medical specialty fields, and
27 other stakeholders, as appropriate, for purposes of developing and

1 establishing the quality-based payment and reimbursement systems
2 and initiatives described under Subdivision (1);

3 (3) in developing and establishing the quality-based
4 payment and reimbursement systems and initiatives described under
5 Subdivision (1), consider that as the performance of a managed care
6 organization or physician or other health care provider improves
7 with respect to an outcome or process measure, quality of care and
8 cost-efficiency benchmark, or efficiency performance standard, as
9 applicable, there will be a diminishing rate of improved
10 performance over time; and

11 (4) develop web-based capability to provide managed
12 care organizations and health care providers with data on their
13 clinical and utilization performance, including comparisons to
14 peer organizations and providers located in this state and in the
15 provider's respective region.

16 SECTION 3.34. Section 536.052(b), Government Code, is
17 amended to read as follows:

18 (b) The commission [~~, after consulting with the advisory~~
19 ~~committee,~~] shall develop quality of care and cost-efficiency
20 benchmarks, including benchmarks based on a managed care
21 organization's performance with respect to reducing potentially
22 preventable events and containing the growth rate of health care
23 costs.

24 SECTION 3.35. Section 536.102(a), Government Code, is
25 amended to read as follows:

26 (a) Subject to this subchapter, the commission [~~, after~~
27 ~~consulting with the advisory committee,~~] may develop and implement

1 quality-based payment systems for health homes designed to improve
2 quality of care and reduce the provision of unnecessary medical
3 services. A quality-based payment system developed under this
4 section must:

5 (1) base payments made to a participating enrollee's
6 health home on quality and efficiency measures that may include
7 measurable wellness and prevention criteria and use of
8 evidence-based best practices, sharing a portion of any realized
9 cost savings achieved by the health home, and ensuring quality of
10 care outcomes, including a reduction in potentially preventable
11 events; and

12 (2) allow for the examination of measurable wellness
13 and prevention criteria, use of evidence-based best practices, and
14 quality of care outcomes based on the type of primary or specialty
15 care provider practice.

16 SECTION 3.36. Section 536.152(a), Government Code, is
17 amended to read as follows:

18 (a) Subject to Subsection (b), using the data collected
19 under Section 536.151 and the diagnosis-related groups (DRG)
20 methodology implemented under Section 536.005, if applicable, the
21 commission [~~, after consulting with the advisory committee,~~] shall
22 to the extent feasible adjust child health plan and Medicaid
23 reimbursements to hospitals, including payments made under the
24 disproportionate share hospitals and upper payment limit
25 supplemental payment programs, based on the hospital's performance
26 with respect to exceeding, or failing to achieve, outcome and
27 process measures developed under Section 536.003 that address the

1 rates of potentially preventable readmissions and potentially
2 preventable complications.

3 SECTION 3.37. Section 536.202(a), Government Code, is
4 amended to read as follows:

5 (a) The commission shall [~~, after consulting with the~~
6 ~~advisory committee,~~] establish payment initiatives to test the
7 effectiveness of quality-based payment systems, alternative
8 payment methodologies, and high-quality, cost-effective health
9 care delivery models that provide incentives to physicians and
10 other health care providers to develop health care interventions
11 for child health plan program enrollees or Medicaid recipients, or
12 both, that will:

13 (1) improve the quality of health care provided to the
14 enrollees or recipients;

15 (2) reduce potentially preventable events;

16 (3) promote prevention and wellness;

17 (4) increase the use of evidence-based best practices;

18 (5) increase appropriate physician and other health
19 care provider collaboration;

20 (6) contain costs; and

21 (7) improve integration of acute care services and
22 long-term services and supports, including discharge planning from
23 acute care services to community-based long-term services and
24 supports.

25 SECTION 3.38. Section 536.204(a), Government Code, is
26 amended to read as follows:

27 (a) The executive commissioner shall [+]

1 ~~[(1) consult with the advisory committee to]~~ develop
2 quality of care and cost-efficiency benchmarks and measurable goals
3 that a payment initiative must meet to ensure high-quality and
4 cost-effective health care services and healthy outcomes ~~[, and~~

5 ~~[(2) approve benchmarks and goals developed as~~
6 ~~provided by Subdivision (1)]~~.

7 SECTION 3.39. Section [536.251](#)(a), Government Code, is
8 amended to read as follows:

9 (a) Subject to this subchapter, the commission, after
10 consulting with ~~[the advisory committee and other]~~ appropriate
11 stakeholders representing nursing facility providers with an
12 interest in the provision of long-term services and supports, may
13 develop and implement quality-based payment systems for Medicaid
14 long-term services and supports providers designed to improve
15 quality of care and reduce the provision of unnecessary
16 services. A quality-based payment system developed under this
17 section must base payments to providers on quality and efficiency
18 measures that may include measurable wellness and prevention
19 criteria and use of evidence-based best practices, sharing a
20 portion of any realized cost savings achieved by the provider, and
21 ensuring quality of care outcomes, including a reduction in
22 potentially preventable events.

23 SECTION 3.40. Section [538.052](#)(a), Government Code, is
24 amended to read as follows:

25 (a) Subject to Subsection (b), the commission shall solicit
26 and accept suggestions for clinical initiatives, in either written
27 or electronic form, from:

- 1 (1) a member of the state legislature;
- 2 (2) the executive commissioner;
- 3 (3) the commissioner of aging [~~the Department of~~
4 ~~Aging~~] and disability services [~~Disability Services~~];
- 5 (4) the commissioner of state health services [~~the~~
6 ~~Department of State Health Services~~];
- 7 (5) the commissioner of the Department of Family and
8 Protective Services;
- 9 (6) the commissioner of assistive and rehabilitative
10 services [~~the Department of Assistive and Rehabilitative~~
11 ~~Services~~];
- 12 (7) the medical care advisory committee established
13 under Section [32.022](#), Human Resources Code; and
- 14 (8) the physician payment advisory committee created
15 under Section [32.022](#)(d), Human Resources Code[~~, and~~
16 [~~(9) the Electronic Health Information Exchange~~
17 ~~System Advisory Committee established under Section [531.904](#)~~].

18 SECTION 3.41. Sections [533.0335](#)(c) and (d), Health and
19 Safety Code, are amended to read as follows:

20 (c) The department [~~, in consultation with the advisory~~
21 ~~committee,~~] shall establish a prior authorization process for
22 requests for supervised living or residential support services
23 available in the home and community-based services (HCS) Medicaid
24 waiver program. The process must ensure that supervised living or
25 residential support services available in the home and
26 community-based services (HCS) Medicaid waiver program are
27 available only to individuals for whom a more independent setting

1 is not appropriate or available.

2 (d) The department shall ~~[cooperate with the advisory~~
3 ~~committee to]~~ establish the prior authorization process required by
4 Subsection (c). This subsection expires January 1, 2024.

5 SECTION 3.42. Section [533.03551](#)(b), Health and Safety Code,
6 is amended to read as follows:

7 (b) The Department of Aging and Disability Services, in
8 cooperation with the Texas Department of Housing and Community
9 Affairs, the Department of Agriculture, and the Texas State
10 Affordable Housing Corporation ~~[, and the Intellectual and~~
11 ~~Developmental Disability System Redesign Advisory Committee~~
12 ~~established under Section [534.053](#), Government Code]~~, shall
13 coordinate with federal, state, and local public housing entities
14 as necessary to expand opportunities for accessible, affordable,
15 and integrated housing to meet the complex needs of individuals
16 with disabilities, including individuals with intellectual and
17 developmental disabilities.

18 SECTION 3.43. Sections [1002.060](#)(c) and (e), Health and
19 Safety Code, are amended to read as follows:

20 (c) The commission, department, or institute or an officer
21 or employee of the commission, department, or institute~~[, including~~
22 ~~a board member,~~] may not disclose any information that is
23 confidential under this section.

24 (e) An officer or employee of the commission, department, or
25 institute~~[, including a board member,~~] may not be examined in a
26 civil, criminal, special, administrative, or other proceeding as to
27 information that is confidential under this section.

SECTION 3.44. Section 1002.061, Health and Safety Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) Except as otherwise provided by law, each of the following state agencies or systems [~~agency represented on the board as a nonvoting member~~] shall provide funds to support the institute and implement this chapter:

- (1) the department;
- (2) the commission;
- (3) the Texas Department of Insurance;
- (4) the Employees Retirement System of Texas;
- (5) the Teacher Retirement System of Texas;
- (6) the Texas Medical Board;
- (7) the Department of Aging and Disability Services;
- (8) the Texas Workforce Commission;
- (9) the Texas Higher Education Coordinating Board; and
- (10) each state agency or system of higher education that purchases or provides health care services, as determined by the governor.

(c-1) The commission shall establish a funding formula to determine the level of support each state agency listed in Subsection (c) is required to provide.

SECTION 3.45. Section 22.038(b), Human Resources Code, is amended to read as follows:

(b) The memorandum of understanding must:

- (1) define the responsibilities of each agency in implementing the components of the pilot program; and

1 (2) provide for interagency coordination and
2 integration with respect to appropriate components of the pilot
3 program, including any components:

4 (A) that serve persons for whom each of the
5 agencies otherwise provides services; or

6 (B) for which coordination and integration among
7 the agencies will result in the more efficient accomplishment of
8 the goals of the comprehensive, effectively working plan
9 implemented under Section 531.0244, Government Code [~~or~~

10 [~~(C) that are recommended by the interagency task~~
11 ~~force under Section 531.02441, Government Code, for coordination~~
12 ~~and integration~~].

13 SECTION 3.46. (a) Section 32.022(b), Human Resources Code,
14 is amended to read as follows:

15 (b) The executive commissioner [~~board~~] shall appoint the
16 committee in compliance with the requirements of the federal agency
17 administering medical assistance. The appointments shall:

18 (1) provide for a balanced representation of the
19 general public, providers, consumers, and other persons, state
20 agencies, or groups with knowledge of and interest in the
21 committee's field of work; and

22 (2) include one member who is the representative of a
23 managed care organization.

24 (b) Not later than September 1, 2015, the executive
25 commissioner of the Health and Human Services Commission shall
26 appoint an additional member to the medical care advisory committee
27 in accordance with Section 32.022(b)(2), Human Resources Code, as

added by this article.

SECTION 3.47. Section 32.0641(a), Human Resources Code, is amended to read as follows:

(a) To the extent permitted under and in a manner that is consistent with Title XIX, Social Security Act (42 U.S.C. Section 1396 et seq.) and any other applicable law or regulation or under a federal waiver or other authorization, the executive commissioner of the Health and Human Services Commission shall adopt [~~after consulting with the Medicaid and CHIP Quality-Based Payment Advisory Committee established under Section 536.002, Government Code,~~] cost-sharing provisions that encourage personal accountability and appropriate utilization of health care services, including a cost-sharing provision applicable to a recipient who chooses to receive a nonemergency medical service through a hospital emergency room.

SECTION 3.48. Section 1352.004(b), Insurance Code, is amended to read as follows:

(b) The commissioner by rule shall require a health benefit plan issuer to provide adequate training to personnel responsible for preauthorization of coverage or utilization review under the plan. The purpose of the training is to prevent denial of coverage in violation of Section 1352.003 and to avoid confusion of medical benefits with mental health benefits. The commissioner [~~in consultation with the Texas Traumatic Brain Injury Advisory Council,~~] shall prescribe by rule the basic requirements for the training described by this subsection.

SECTION 3.49. Section 1352.005(b), Insurance Code, is

1 amended to read as follows:

2 (b) The commissioner [~~, in consultation with the Texas~~
3 ~~Traumatic Brain Injury Advisory Council,~~] shall prescribe by rule
4 the specific contents and wording of the notice required under this
5 section.

6 SECTION 3.50. (a) The following provisions of the
7 Government Code are repealed:

- 8 (1) Section 531.0217(j);
- 9 (2) Section 531.02172;
- 10 (3) Section 531.02173(c);
- 11 (4) Section 531.02441;
- 12 (5) Sections 531.0273(d), (e), (f), and (g);
- 13 (6) Section 531.052;
- 14 (7) Section 531.0571;
- 15 (8) Section 531.068;
- 16 (9) Sections 531.121(1), (5), and (6);
- 17 (10) Section 531.122;
- 18 (11) Section 531.123;
- 19 (12) Section 531.1235;
- 20 (13) Section 531.251;
- 21 (14) Section 531.552;
- 22 (15) Subchapters R and T, Chapter 531;
- 23 (16) Section 531.904;
- 24 (17) Section 533.00251(a)(1);
- 25 (18) Section 533.00252;
- 26 (19) Sections 533.00253(a)(1) and (f);
- 27 (20) Section 533.00254;

- 1 (21) Sections 533.00255(e) and (f);
- 2 (22) Section 533.00285;
- 3 (23) Subchapters B and C, Chapter 533;
- 4 (24) Section 534.001(1);
- 5 (25) Section 534.053;
- 6 (26) Section 535.053;
- 7 (27) Section 535.054;
- 8 (28) Section 535.055;
- 9 (29) Section 535.108;
- 10 (30) Section 536.001(1);
- 11 (31) Section 536.002; and
- 12 (32) Section 536.007(b).

13 (b) The following provisions of the Health and Safety Code
14 are repealed:

- 15 (1) Subchapter C, Chapter 32;
- 16 (2) Section 62.151(e);
- 17 (3) Section 62.157(c), as added by Chapter 1255 (S.B.
18 789), Acts of the 77th Legislature, Regular Session, 2001;
- 19 (4) Section 81.010;
- 20 (5) Section 92.011;
- 21 (6) Subchapter B, Chapter 92;
- 22 (7) Chapter 115;
- 23 (8) Section 241.187;
- 24 (9) Section 533.0335(a)(1);
- 25 (10) Section 1002.001(1);
- 26 (11) Section 1002.052;
- 27 (12) Section 1002.053;

- (13) Section 1002.055;
- (14) Section 1002.056;
- (15) Section 1002.057;
- (16) Section 1002.058; and
- (17) Section 1002.059.

(c) The following provisions of the Human Resources Code are repealed:

- (1) Section 22.035; and
- (2) Section 32.022(e).

SECTION 3.51. On the effective date of this article, the following advisory committees are abolished:

- (1) the advisory committee on Medicaid and child health plan program rate and expenditure disparities;
- (2) the Advisory Committee on Qualifications for Health Care Translators and Interpreters;
- (3) the Behavioral Health Integration Advisory Committee;
- (4) the Children's Policy Council;
- (5) the Consumer Direction Work Group;
- (6) the Council on Children and Families;
- (7) the Electronic Health Information Exchange System Advisory Committee;
- (8) the Guardianship Advisory Board;
- (9) the hospital payment advisory committee;
- (10) the advisory committee for information resources planning and management;
- (11) the Intellectual and Developmental Disability

1 System Redesign Advisory Committee;

2 (12) the Interagency Coordinating Council for HIV and

3 Hepatitis;

4 (13) the interagency coordinating group for faith- and

5 community-based initiatives;

6 (14) the interagency task force on ensuring

7 appropriate care settings for persons with disabilities;

8 (15) the Medicaid and CHIP Quality-Based Payment

9 Advisory Committee;

10 (16) each Medicaid managed care advisory committee

11 appointed for a health care service region under Subchapter B,

12 Chapter 533, Government Code;

13 (17) the Perinatal Advisory Council;

14 (18) the Public Assistance Health Benefit Review and

15 Design Committee;

16 (19) the renewing our communities account advisory

17 committee;

18 (20) the STAR + PLUS Nursing Facility Advisory

19 Committee;

20 (21) the STAR + PLUS Quality Council;

21 (22) the STAR Kids Managed Care Advisory Committee;

22 (23) the state Medicaid managed care advisory

23 committee;

24 (24) the task force on domestic violence;

25 (25) the Interagency Task Force for Children With

26 Special Needs;

27 (26) the telemedicine and telehealth advisory

1 committee;

2 (27) the board of directors of the Texas Institute of
3 Health Care Quality and Efficiency;

4 (28) the Texas Nonprofit Council;

5 (29) the Texas System of Care Consortium;

6 (30) the Texas Traumatic Brain Injury Advisory
7 Council;

8 (31) the volunteer advocate program advisory
9 committee; and

10 (32) the work group on uncompensated hospital care.

11 ARTICLE 4. CONTINUATION OF HEALTH AND HUMAN SERVICES POWERS AND

12 DUTIES

13 SECTION 4.01. Section 531.004, Government Code, is amended
14 to read as follows:

15 Sec. 531.004. SUNSET PROVISION. The Health and Human
16 Services Commission is subject to Chapter 325 (Texas Sunset
17 Act). Unless continued in existence as provided by that chapter,
18 the commission is abolished and this chapter expires September 1,
19 2027 [~~2015~~].

20 SECTION 4.02. Section 11.003(a), Health and Safety Code, is
21 amended to read as follows:

22 (a) The Texas Board of Health and the Texas Department of
23 Health were abolished by Section 1.26, Chapter 198 (H.B. 2292),
24 Acts of the 78th Legislature, Regular Session, 2003. The [~~and~~
25 ~~the]~~ powers and duties [~~of those entities~~] under this chapter of
26 those entities' successor in function are [were] transferred under
27 Subchapter A-1, Chapter 531, Government Code, to the Health and

1 Human Services Commission [~~other agencies~~], which is [~~are~~] subject
 2 to Chapter 325, Government Code (Texas Sunset Act). Unless the
 3 commission is [~~agencies to which those powers and duties are~~
 4 ~~transferred are~~] continued in existence as provided by that
 5 chapter, this chapter expires on the date the commission is
 6 abolished under Section 531.004, Government Code [~~September 1,~~
 7 ~~2015~~].

8 SECTION 4.03. Section 108.016, Health and Safety Code, is
 9 amended to read as follows:

10 Sec. 108.016. SUNSET REVIEW. Unless continued in
 11 existence in accordance with Chapter 325, Government Code (Texas
 12 Sunset Act), after the review required by Section 531.004,
 13 Government Code [~~11.003(b)~~], this chapter expires on the date the
 14 commission is abolished under that section [~~September 1, 2015~~].

15 SECTION 4.04. Section 532.002, Health and Safety Code, is
 16 amended to read as follows:

17 Sec. 532.002. SUNSET PROVISION. The Texas Department of
 18 Mental Health and Mental Retardation was abolished by Section 1.26,
 19 Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular
 20 Session, 2003. The [~~, and the~~] powers and duties [~~of that agency~~]
 21 under this chapter of that agency's successors in function are
 22 [~~were~~] transferred under Subchapter A-1, Chapter 531, Government
 23 Code, to the Health and Human Services Commission [~~other agencies~~],
 24 which is [~~are~~] subject to Chapter 325, Government Code (Texas
 25 Sunset Act). Unless the commission is [~~agencies to which those~~
 26 ~~powers and duties are transferred are~~] continued in existence as
 27 provided by that Act, this chapter expires on the date the

commission is abolished under Section 531.004, Government Code
~~[September 1, 2015].~~

SECTION 4.05. Section 1001.003, Health and Safety Code, is amended to read as follows:

Sec. 1001.003. SUNSET PROVISION. Unless the commission
~~is [The Department of State Health Services is subject to Chapter~~
~~325, Government Code (Texas Sunset Act). Unless]~~ continued in
 existence as provided by Chapter 325, Government Code ~~[that~~
~~chapter]~~, after the review required by Section 531.004, Government
Code, [the department is abolished and] this chapter expires on the
date the commission is abolished under that section ~~[September 1,~~
~~2015].~~

SECTION 4.06. Section 21.002, Human Resources Code, is amended to read as follows:

Sec. 21.002. SUNSET PROVISION. The Texas Department of
 Human Services was abolished by Section 1.26, Chapter 198 (H.B.
 2292), Acts of the 78th Legislature, Regular Session, 2003. The ~~[~~
~~and the]~~ powers and duties ~~[of that agency]~~ under this chapter of
that agency's successors in function are ~~[were]~~ transferred under
Subchapter A-1, Chapter 531, Government Code, to the Health and
Human Services Commission ~~[other agencies]~~, which is ~~[are]~~ subject
 to Chapter 325, Government Code (Texas Sunset Act). Unless the
commission is ~~[agencies to which those powers and duties are~~
~~transferred are]~~ continued in existence as provided by that
 chapter, this title expires on the date the commission is abolished
under Section 531.004, Government Code ~~[September 1, 2015, except~~
~~that Chapter 40 expires as provided by Section 40.003].~~

SECTION 4.07. Section 40.003, Human Resources Code, is amended to read as follows:

Sec. 40.003. SUNSET PROVISION. Unless the commission is ~~[The Department of Family and Protective Services is subject to Chapter 325, Government Code (Texas Sunset Act). Unless]~~ continued in existence as provided by Chapter 325, Government Code ~~[that chapter]~~, after the review required by Section 531.004, Government Code, ~~[the department is abolished and]~~ this chapter expires on the date the commission is abolished under that section ~~[September 1, 2015]~~.

SECTION 4.08. Section 81.004, Human Resources Code, is amended to read as follows:

Sec. 81.004. SUNSET PROVISION. The Texas Commission for the Deaf and Hard of Hearing was abolished by Section 1.26, Chapter 198 (H.B. 2292), Acts of the 78th Legislature, Regular Session, 2003. The ~~[, and the]~~ powers and duties ~~[of that agency]~~ under this chapter of that agency's successor in function are ~~[were]~~ transferred under Subchapter A-1, Chapter 531, Government Code, to the Health and Human Services Commission ~~[other agencies]~~, which is ~~[are]~~ subject to Chapter 325, Government Code (Texas Sunset Act). Unless the commission is ~~[agencies to which those powers and duties are transferred are]~~ continued in existence as provided by that chapter, this chapter expires on the date the commission is abolished under Section 531.004, Government Code ~~[September 1, 2015]~~.

SECTION 4.09. Section 91.001, Human Resources Code, is amended to read as follows:

1 Sec. 91.001. SUNSET PROVISION. The Texas Commission for
2 the Blind was abolished by Section 1.26, Chapter 198 (H.B. 2292),
3 Acts of the 78th Legislature, Regular Session, 2003. The [~~and~~
4 ~~the]~~ powers and duties ~~[of that agency]~~ under this chapter of that
5 agency's successor in function are ~~[were]~~ transferred under
6 Subchapter A-1, Chapter 531, Government Code, to the Health and
7 Human Services Commission ~~[other agencies]~~, which is ~~[are]~~ subject
8 to Chapter 325, Government Code (Texas Sunset Act). Unless the
9 commission is ~~[agencies to which those powers and duties are~~
10 ~~transferred are]~~ continued in existence as provided by that
11 chapter, this chapter expires on the date the commission is
12 abolished under Section 531.004, Government Code ~~[effective~~
13 ~~September 1, 2015]~~.

14 SECTION 4.10. Section 111.012, Human Resources Code, is
15 amended to read as follows:

16 Sec. 111.012. SUNSET PROVISION. The Texas Rehabilitation
17 Commission was abolished by Section 1.26, Chapter 198 (H.B. 2292),
18 Acts of the 78th Legislature, Regular Session, 2003. The [~~and~~
19 ~~the]~~ powers and duties ~~[of that agency]~~ under this chapter of that
20 agency's successor in function are ~~[were]~~ transferred under
21 Subchapter A-1, Chapter 531, Government Code, to the Health and
22 Human Services Commission ~~[other agencies]~~, which is ~~[are]~~ subject
23 to Chapter 325, Government Code (Texas Sunset Act). Unless the
24 commission is ~~[agencies to which those powers and duties are~~
25 ~~transferred are]~~ continued in existence as provided by that
26 chapter, this chapter expires on the date the commission is
27 abolished under Section 531.004, Government Code ~~[September 1,~~

2015].

SECTION 4.11. Section 117.003, Human Resources Code, is amended to read as follows:

Sec. 117.003. SUNSET PROVISION. Unless the commission is ~~[The Department of Assistive and Rehabilitative Services is subject to Chapter 325, Government Code (Texas Sunset Act). Unless]~~ continued in existence as provided by Chapter 325, Government Code ~~[that chapter]~~, after the review required by Section 531.004, Government Code, ~~[the department is abolished and]~~ this chapter expires on the date the commission is abolished under that section ~~[September 1, 2015]~~.

SECTION 4.12. Section 161.003, Human Resources Code, is amended to read as follows:

Sec. 161.003. SUNSET PROVISION. Unless the commission is ~~[The Department of Aging and Disability Services is subject to Chapter 325, Government Code (Texas Sunset Act). Unless]~~ continued in existence as provided by Chapter 325, Government Code ~~[that chapter]~~, after the review required by Section 531.004, Government Code, ~~[the department is abolished and]~~ this chapter expires on the date the commission is abolished under that section ~~[September 1, 2015]~~.

ARTICLE 5. FEDERAL AUTHORIZATION AND EFFECTIVE DATE

SECTION 5.01. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the

1 waiver or authorization is granted.

2 SECTION 5.02. Except as otherwise provided by this Act,
3 this Act takes effect September 1, 2015.